2/28/83
C2700-1

Automotive News®

February 27, 1984

© Entire contents copyright, 1984, by Crain Automotive Group, Inc. All rights reserved.
Reproduction or use of editorial content in any manner without permission is strictly prohibited.

59th year—$40 per year, $1.00 per copy

85 import dealers added during 1983; 1st gain since 1977

By Kathleen Hamilton
Financial Editor

The number of dealers in the U.S. carrying imported cars rose by 85 last year—a gain of just one percent, to be sure, but the first full-year gain since 1977.

At first glance, even that small improvement would seem good. But it was the strength of domestic dealers taking on import lines that made the import-dealer number swell.

The number of dealers carrying only imports actually declined during the year. And that decline was more than enough to offset gains in the domestic-dealer population in 1983.

When everything was tallied, the latest AUTOMOTIVE NEWS dealer census found eight fewer dealers in the U.S. on Jan. 1, 1984, than one year earlier. The totals were 24,721 vs. 24,729.

Breaking that down, 10,096 dealers carried import lines on Jan. 1, 1984. Of those, 3,880 carried only imports. Another 20,841 were domestic dealers — with or without an import line (AUTOMOTIVE NEWS, Feb. 13).

One year earlier, 10,011 dealers carried imports; 3,930 carried only imports, and 20,799 were domestic dealers.

The overall loss of eight dealerships was the smallest loss recorded since AUTOMOTIVE NEWS began keeping records of import and domestic dealer populations in 1957. The only year in which the total rose was 1964.

Like all numbers used in this census, the loss of eight refers only to the change in the total dealer population; no change would be recorded if one dealer closed and another opened in the same category, for example. This census also counts only car dealers; Isuzu's extensive truck-only network, for example, is not included.

• The import declines came in the categories of import-only duals (down 12 percent to 1,130) and domestic dealers dualed with non-captive imports (down 4 percent to 2,352).

Those declines were offset by gains in the numbers of import exclusives (up 4 percent to 2,750) and Chrysler Corp. dealers handling the Mitsubishi-built captive imports (up 6 percent to 3,864).

Because of dualing, there are, of course, more import franchises than dealerships. The import-franchise total rose 3 percent during 1983, to 13,707.

And the gains were widespread: 17 makes increased their dealer numbers, including Lotus and TVR, which reentered the U.S. market in 1983, and International Automobile Importers, which brought back the Bertone and Pininfarina, two sports cars that previously wore the Fiat badge.

Nine makes lost dealers. The only big loss was in dealers handling DeLoreans through Consolidated International. Because there are only a few DeLoreans left to sell — none of them from the current model year—the estimated 250 DeLorean dealers that began the year weren't included at year-end.

Franchise gainers in 1983:

Continued on Page 58, Col. 3

IMPORT FRANCHISES

	Jan. 1, 1984	Jan. 1, 1983
JAPAN	10,434	9,884
Plymouth captives	2,831	2,587
Dodge captives	2,744	2,492
Nissan	1,101	1,083
Toyota	1,081	1,093
Honda	822	806
Subaru	798	784
Mazda	757	766
Isuzu	217	206
Mitsubishi	83	67
WEST GERMANY	1,573	1,565
Mercedes-Benz	416	413
BMW	414	403
Audi	413	421
Porsche	330	328
SWEDEN	730	723
Volvo	405	404
Saab	325	319
ITALY	334	199
Bertone/Pininfarina	141	0
Alfa Romeo	106	117
Ferrari	46	48
Maserati	41	34
FRANCE	316	330
Peugeot	316	330
UK	305	536
Jaguar	189	205
Rolls-Royce	65	69
Lotus	25	0
Aston Martin Lagonda	14	12
TVR	12	0
DeLorean	0	250
MISCELLANEOUS	15	15
TOTAL	13,707	13,252

Copyright, 1984, Automotive News

Justy one-liter auto

Something small from Fuji

Broadening its product range, Fuji Heavy Industries has unveiled the one-liter Justy, which is available in two- or four-door hatchback form and rides on a 90-inch wheelbase. Overall length is 139 inches, width 60.4 inches and height 54.7 inches. Fuji plans to start exports to Europe in late summer, but no shipments to the U.S. are planned. Story on Page 44.

FTC opposes proposal to ban fleet subsidies

By Helen Kahn
Washington Bureau Chief

WASHINGTON. — The FTC has recorded its strong opposition to the NADA anti-fleet subsidy bill (H.R. 1415).

Commission Chairman James C. Miller III and Commissioner Michael Pertschuk made their views known in testimony before the House Commerce Subcommittee, chaired by Rep. James C. Florio, New Jersey Democrat.

NADA bolsters support for H.R. 1415. Page 58.

Reasons for FTC opposition are spelled out in a letter sent by Miller to Rep. Peter W. Rodino Jr., New Jersey Democrat, whose Judiciary Committee has jurisdiction over the bill.

The FTC thinks the NADA bill "would restrict the ability of manufacturers to adopt a variety of business practices that are presently lawful and procompetitive."

It would "impose unnecessary rigidity on the distribution of automobiles and would probably injure, not help, competition, consumers and, in the long run, dealers," FTC said.

"To the extent that discrimination in sales, whether in terms of price, service or other dimensions of competition, is causing competitive injury, the Robinson-Patman and the Federal Trade Commission Acts provide adequate means of addressing such problems," the FTC letter said.

Pertschuk added to that letter by noting that a necessary premise to that final statement is that the Robinson-Patman Act will be enforced.

While Pertschuk agrees that H.R. 1415 is not a "desirable substitute for" Robinson-Patman principals, he said that the Reagan Administration "has shown a consistent pattern of criticizing the statute as anti-competitive, professing a commitment to enforce it and refusing to bring any cases" involving it.

He added, the only Robinson-Patman orders issued by the

Continued on Page 58, Col. 2

Sales explode, add 100,000 to make period best in 8 years

By Jenny L. King
Staff Writer

It seemed too good to be true: U.S. new-car sales were up close to 100,000 units above those of a year earlier, notching a 75-percent increase and claiming a total that was best for mid-February in eight years.

Sales have been up every period this year, extending the unbroken string of pluses to nine, running back to last November.

Feb. 11-20 domestic sales in 1983 were among the worst on record and threatened to spoil the weak momentum of the then-young auto-sales recovery. A year ago, only 129,096 retail sales were reported, worst since 1961.

This year's mid-month total of 225,260 surpassed '83 by 74.49 percent and bested similar periods going back to 1976 when 233,701 was the total. Record for the period was set in 1973: 272,784.

Sales were running at a 9.2-million rate based on the mid-month performance.

With eight selling days in the period both this year and last, the daily rate was up 74.49 percent, to 28,158 from 16,137. It was the best rate so far in the new calendar year.

Chrysler Corp. boasted the greatest sales increase for the period among the domestic auto makers. Its sales were up 85.08 percent, to 27,461 from 14,837 a year earlier. General Motors was second best with a gain of

Continued on Page 4, Col. 4

breaking news

Saab ragtop

TROLLHATTEN, Sweden. — Saab will introduce a convertible in the U.S. in the 1986 model year. It will be designed on the new two-door sedan (called the 900 GLI in Sweden) which is scheduled to be introduced in the U.S. in the 1985 model year. The car will have a fuel-injected engine with turbo and intercooler. Convertible parts will be provided by American Sunroof. Saab plans to sell 1,000 to 1,500 a year, or about one or 2 percent of the U.S. convertible market.

Callbacks at GM

DETROIT.—General Motors will recall 1,000 workers

See BREAKING NEWS, Page 8, Col. 1

Separate franchise network, second marketing unit to be formed

Honda to sell new car line in U.S.

By Matt De Lorenzo
Los Angeles Reporter

LOS ANGELES. — American Honda will sell a new line of cars through a franchise organization separate from its existing dealer body in 1986 and is setting up a second division internally to market the cars.

Honda's existing dealers were told of the move in a series of meetings held around the country. Honda said all its dealers, as well as others outside the organization, will be given the opportunity to apply for the new dealerships.

The company plans to start the new division in early 1986 and sales are projected at 45,000 vehicles during that calendar year. Approximately 120 new dealers will be named in that timeframe as a starting base for the division.

Honda said the new vehicles sold by this separate franchise group "will appeal to a different group of buyers which Honda has not previously sought. The product will have different styling, sportier features,and reflect a different image and concept from current Honda cars."

The new arrangement will be along the lines of the traditional franchise agreements Honda has with its current dealer body.

American Honda President Tetsuo Chino gave a clue to one of the new division's products when he talked to reporters at NADA's convention in Dallas several weeks ago.

During an informal press conference, Chino said both Honda and British Leyland plan to import a front-wheel-drive execu-

Continued on Page 4, Col. 1

NEWSPAPER

AN
MD20814ACOEOEACODE FMJT M
ACQ EDITOR
ACQ EDITOR SRI
CONGRESSIONAL INFO SERV
4520 EAST-WEST HWY STE800
BETHESDA MD 20814 ?

BEST COPY AVAILABLE

Record earnings for 1983 cap incredible comeback

Chrysler reports $701 million net

By Kathleen Hamilton
Financial Editor

Chrysler Corp. reported record profits of $700.9 million for 1983 even after a paper loss of $224 million caused by devaluing its holdings in Peugeot and a loss of $89 million caused by the strike at its Twinsburg Stamping plant.

Chrysler's year-end net profits of $700.9 million ($5.79 a share), quadrupled the $170.1 million ($1.84 a share) it made in 1982 — and 1982 profits included the sale of Chrysler Defense.

Chrysler's comeback is even more impressive when compared to its last record sales and profits year, 1976. Chrysler netted $422.6 million that year. Last year's profits beat the old record by 66 percent.

Even better, those record profits came in a year when unit sales trailed 1976 by 52 percent and dollar sales were 15 percent lower.

Last year, Chrysler sold 1.49 million vehicles and reported net sales of $13.24 billion. Sales were $10.04 billion in 1982.

In announcing the profits, Chrysler Chairman Lee A. Iacocca was cautious in his prediction on how long the boom may continue for Chrysler.

"The first quarter is starting off strongly," he said. "It's a barn burner. I hope it will continue . . . I think it will continue for at least two quarters, I hope six."

Huge federal deficits — larger than the Reagan Administration is projecting — will send the economy downward if they are not trimmed, he said.

In anticipation of another downturn, Chrysler will expand production from 1.4 million units this year to 1.8 million next year, then remain near that level, Iacocca said.

"We can make a lot of money at 8 million" annual industry-wide sales, he said.

Chrysler needs to keep its breakeven point at about 1.1 million to avoid disaster in cyclical downturns, he said.

Chrysler is considering adding capacity for 100,000 to 150,000 more minivans — "half a plant," in Iacocca's words. Chrysler now has 100,000 back orders for the vans. Trades for Voyager and Caravan are running 95 percent cars, he said.

He ruled out a brand new plant.

Chrysler President Harold Sperlich pegged the cost of minivan capacity expansion at about $250 million. Robot welders will take at least 16 months to obtain, so expansion is out of the question for the rest of this model year, Iacocca said.

"The market is there for maybe a million" minivans a year, Iacocca said. But next model year, General Motors and Ford Motor Co. are due to introduce competitive models.

Chrysler spent about $1.7 billion on product last year, double what it spent in 1981 and 1982. Spending this year and next will be $1.7 billion or $1.8 billion each year, Iacocca said.

He expressed nervousness about spending "peak" sums during years that could be bad ones for the auto industry.

"Yet you have to stay competitive," he said.

Engineering is continuing on the subcompact P-car program — the 1986 model sized between the Mitsubishi-built Colt and Omni/Horizon. Chrysler will have to decide by September whether and how to proceed with the car, and make some decisions soon on the Omni/Horizon replacement, Iacocca said.

Sperlich is due to leave soon with a six-person Chrysler team to negotiate with Mitsubishi in Japan. Mitsubishi's interest seems to have picked up in the last six months, he said.

Vehicles, components and joint ventures are within the realm of possibility, Iacocca said. Production of vehicles or components in Mexico, Korea or elsewhere is receiving more attention at Chrysler because of competition from the General Motors Japanese strategy, he said.

"I don't think it's right for the country, what we're doing, but if you can't lick 'em, join 'em," Iacocca said.

Chrysler paid virtually no taxes on its income last year, thanks to credits racked up during four years of losses.

It still has credits enough to offset earnings of $1.5 billion to $2 billion — just about what outside analysts are predicting Chrysler will make next year, said Robert S. Miller, Chrysler executive vice president - finance.

Sales of $13.24 billion were 32 percent higher than 1982's $10.04 billion (restated to eliminate sales of Chrysler Defense, which was sold early in 1982).

Continued on Page 58, Col. 1

Chrysler offers cash for sales of subcompacts

Chrysler has a new "Shift in Cash" incentive program for salesmen and sales managers.

It began Feb. 21 and runs to May 30. Eligible vehicles are the subcompact '83/'84 Horizon, Turismo / Duster, Omni / GLH and Charger/Shelby equipped with manual transmission.

Salespeople earn a flat $75 per unit for each one they sell, with no qualification, on all models except Shelby Charger which pays $150.

Managers earn $25 for each unit they retail, except Shelby Charger which pays $50.

Joe Wilssens

Happy day for Iacocca

No, Lee Iacocca isn't claiming first place in the industry. But the Chrysler chairman was all smiles as he announced record profits for his company for 1983.

Auto profits for 1983 are record $6 billion

By Kathleen Hamilton
Financial Editor

The Big Four reported record profits in 1983 of $6.15 billion—nineteen times the $322 million the U. S. makers made in 1982 on a sales increase of only 23 percent.

Dollar sales for the year also set a record, at $135.71 billion, compared with $110.03 billion in 1982.

(Both sales figures include sales of the defense subsidiaries of Chrysler Corp. and American Motors. Chrysler sold its subsidiary early in 1982; AMC sold its late in 1983.)

General Motors, Ford Motor Co. and Chrysler Corp. each reported individual profits records last year. Previous records had been set in 1978, 1977 and 1976, respectively. AMC lost money last year.

The old profits record for the industry was set in 1977, when profits reached $5.18 billion. Last year's combined profits were 19 percent higher than the old record, but dollar sales rose 25 percent compared with 1977, when they were $108.21 billion.

The old sales record was set in 1979, when the Big Four total was $125.02 billion and both Ford and GM set records for themselves, as well.

The auto makers' giant profits leap of nearly $6 billion over 1982 is evidence of the high profits made per unit once their production breakeven point is reached.

Peter Zaglio, analyst at Lehman Brothers Kuhn Loeb Research, estimates last year's breakeven point was 8½ million units. Combined, the Big Four wholesaled 14.58 million cars and trucks last year and 11.98 million in 1982.

• In 1977, year of the old profits record, the Big Four sold more than 18 million cars and trucks; last year, they wholesaled 14½ million, or 20 percent fewer.

But before hoisting the banner of victory, industry-watchers should account for the erosion caused by inflation since 1977, warned Earl R. Krecher, of MVMA's Policy Analysis Department.

Figuring in constant (1967) dollars, Kreher said 1983's industry profit would have been only $2.1 billion, compared with $2.9 billion in 1977. In constant dollars, 1965 would have set the real profits record at $3.3 billions, according to the MVMA figures.

European makers expect to miss '84 CAFE mark

WASHINGTON. — Pre-model-year fuel-economy reports for '84 models show that both Swedish auto makers expect to miss the fuel-economy standard of 27 MPG.

Saab thinks its CAFE will be 25.3 MPG. Volvo expects somewhere between 26.4 MPG and 26.5 MPG, but it added that that "sufficiently represents average fuel economy for purposes of the act."

The law does contain administrative waiver authority to as low as 26 MPG, but the occasion and its application are not entirely clear.

Jaguar expects a 1984 19.0 MPG CAFE and added that by midyear it plans to launch a new fuel-efficient 6-cylinder engine. Peugeot anticipates 24.5 MPG for its '84 CAFE — with mostly gasoline versions and some turbodiesels.

Ferrari said it will get 14.1 MPG on sales of some 1,100 cars for both its 308 and its Mondial. Lotus expects 17.6 MPG and expects to sell 318 Esprit Turbo models.

Sales records spur first earnings in 15 periods

AMC posts profit in 4th quarter

By Kathleen Hamilton
Financial Editor

American Motors turned its first profit in 15 quarters, set two sales records, predicted a "significantly" profitable but dividend-less 1984 and leaked a few more hints about its product plans.

AMC's fourth-quarter profit of $7.37 million (6 cents a share) wasn't enough to offset three quarters of losses, however. The No. 4 U. S. auto maker ended the year with a loss of $146.73 million, only 4 percent better than 1982's loss of $153.47 million ($2.85 a share).

And 1983's results benefited from the sale of AM General, which generated a gain of $90 million during the third quarter, and from the sale of its American Center headquarters building in the fourth quarter.

AMC officials declined to specify the exact gain realized from the latter sale, but Chairman Paul Tippett indicated the gain was less than $2 million. That means AMC's fourth-quarter profit was generated from cars and Jeeps.

AMC reported 1983 sales totaled a record $3.27 billion, up 37 percent from 1982's $2.39 billion. But if AM General sales were included for both years, AMC's sales last year would have been $3.56 billion, or 24 percent better than 1982 sales of $2.88 billion.

Meanwhile, its wholesale vehicle sales — including Renault but excluding AM General — rose 34 percent, from 286,520 to 383,462.

Tippett predicted 1984 sales of 450,000 vehicles, based on the launch of another Alliance-based car with new engine options (a 1.7-liter engine is in the works), a small pickup based on the Cherokee/Wagoneer and a stronger year for four-wheel-drive vehicles.

Beijing Jeep production in China should be about 20,000 units this year, rising to two or three times that number eventually, as the product is modernized and brought closer to

Continued on Page 62, Col. 1

Joe Wilssens

Into the black at AMC

After 14 quarters of red ink, American Motors proudly reported a profit for the final three months of 1983. Telling the story are President Jose J. Dedeurwaerder, left, and Chairman Paul W. Tippett.

BIG FOUR FINANCIAL RESULTS
(In millions)

	Year Sales* 1983	Sales* 1982	Net Income (Loss) 1983	Net Income (Loss) 1982
American Motors	$ 3,428	$ 2,878	($ 147)	($153)
Chrysler Corp.	13,240	10,057	701	170
Ford Motor Co.	44,455	37,067	1,867	(658)
General Motors	74,582	60,026	3,730	963
TOTAL	$135,705	$110,028	$6,151	$322

*AMC sales include AM General, which was sold in 1983. If sales were restated to eliminate AM General, 1983 total would be $3.272 billion; 1982, $2,393 billion. Chrysler 1982 sales include Chrysler Defense, which was sold in 1982. If sales were restated to eliminate Chrysler Defense, 1982 total would be $10.045 billion

GSA to pay $35 million for air-bag Fords

By Geoff Sundstrom
Washington Reporter

WASHINGTON. — Ford Motor Co. and the General Services Adminstration (GSA) have settled on $35 million as the price for a 1985 fleet of 5,000 air-bag-equipped Ford Tempos.

The cars will include a driver-side air bag housed on a non-tilt, stepped, four-spoke steering wheel.

Half of the fleet cars will be equipped with anti-lacerative windshields, coated with an extra sheet of clear plastic bonded to the inner surface.

High-mounted center stop lights will also be fitted on the cars, which are equipped with Ford's standard 5-MPH bumper system. Electronic crash sensors will be used.

The company said the extra safety equipment will add $3,000 to the price of each vehicle, with the air bag running $1,000. Coincidentally, Ford sources said the company is selling the cars at $3,000 under the retail price.

The government Tempos will have automatic transmission and air conditioning. Base models with manual transmission retail at $6,928.

The contract stemmed from a 1983 agreement between former NHTSA administrator Raymond A. Peck Jr. and Gerald P. Carmen, outgoing GSA director. The agreement called for government procurement of 5,000 compact sedans equipped with driver-side air bags.

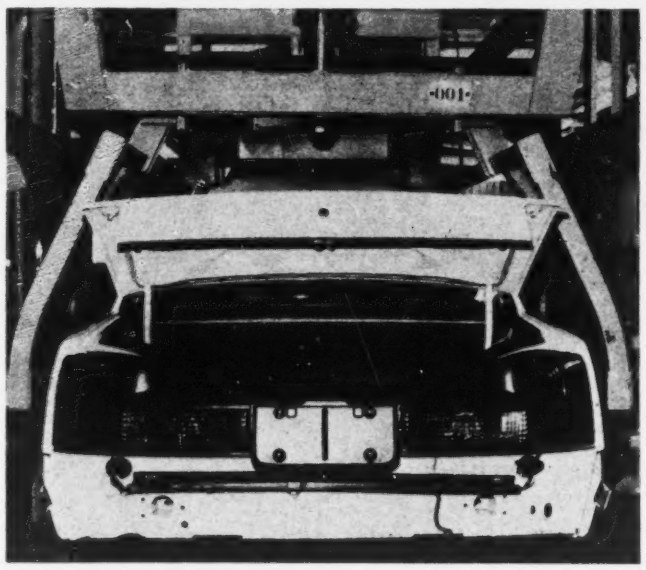
• Carmen said that "unfortunately" Ford was the only auto maker to bid on the contract and that "if the auto industry really wants to get government off its back, it had better start offering competitive safety equipment at prices which people can afford."

Carmen also said he thought the "air bag is an idea whose time has come" and that the public owed consumer advocate Ralph Nader "a vote of thanks" for prodding NHTSA and GSA into procuring the Ford air-bagged fleet.

Both Carmen and current NHTSA administrator Diane Steed said the government purchased the air-bagged vehicles to test the system on a large group of cars and to "assist the marketplace in making better safety equipment available to the public."

When asked whether NHTSA

Continued on Page 4, Col. 5



Oldsmobile Calais on the move

The body for the first Oldsmobile Calais moves down a pilot assembly line at the division's Lansing plant. The new front-wheel-drive coupe, which had been codenamed GM20, will be introduced this fall.

Porsche situation gets 'top priority' at NADA

By John A. Russell
New York Staff Writer

WASHINGTON.—Terming the action by Porsche in terminating its dealers "the damndest thing I ever heard of," James Jennings, NADA president, said this issue has become the number one priority for the association.

Frank McCarthy, NADA executive vice president, outlined the course of action the association will be taking in the coming weeks.

The first wave of action will be at the state level, he said, since there are laws in many states which would stop the terminations.

NADA is coordinating with state associations to determine whether the actions will be complaints filed before motor vehicle commissions or actions taken in court.

Also, McCarthy said, many states have laws forbidding factory stores and brokers.

The 40 centers being contemplated by Porsche "sound like factory stores," he said, and an effort will be made to stop Porsche on this level as well as the broker level because of the "agency" factor.

NADA will also move on the state legislative level to get laws passed in states which do not

Continued on Page 59, Col. 5

Porsche retailers start war chest to fight new system

Porsche dealers on both coasts were gearing for action last week to fight Porsche Cars North America's plans for a new distribution system in the U. S.

In New Jersey, the 14 Porsche dealers have formed a Porsche Dealers Alliance and have set up a legal defense fund, while in California some 40 Porsche dealers have met and agreed to start a legal war chest to protect their interests.

Informed sources said other meetings are being held by Porsche dealers throughout the country as dealers in various areas study and plan courses of action.

The distribution plan outlined by Porsche two weeks ago would effectively abolish the traditional franchise system for Porsche.

At press time, the Porsche-Audi Dealer Council was meeting and a topic was the new distribution system.

The dealers in New Jersey have the backing of the New Jersey Automobile Dealers Assn. and Charles Walton, president of the association, said flatly that while Porsche dealers throughout the nation are up in arms, "We in New Jersey believe it (the system) is a violation of New Jersey law."

New Jersey has one of the strongest franchise laws in the country and Walton said it forbids termination except for failure to comply with the requirements set up by the francisor.

Walton said the Porsche dealers would not "meekly acquiesce" to the dictates of Porsche.

The dealers have established a Porsche Dealers Alliance and a legal defense fund and the state association will support them in their fight. Now, Walton said, attorneys are studying the Porsche plan and deciding on a response.

But Walton made it plain that the Porsche dealers, and the New Jersey dealers association will fight.

In Southern California, more than 40 dealers met last Monday to discuss their options in face of the Porsche announcement. According to dealers attending the meeting, a legal fund was established with initial pledges over $1 million.

"We're going to get involved in every level of jurisdiction available to us," said a dealer who declined to be identified. He predicted that the legal action will cause problems not only for Porsche, but for Volkswagen of America as well.

"I have a contract with VW-oA to buy Porsches," the dealer said, adding that VW's only response has been to send dealers a letter stating that the company will be unable to obtain the sports cars after Aug. 31.

George Follmer, who recently opened a new $1.5 million Porsche-Audi outlet in Orange County, Calif., said the upshot of the meeting was the dealers agreeing that "we need to stay together."

Referring to his investment, Follmer said, "You make a commitment on the basis of a franchise that's going to pay for it. Now what am I supposed to do?"

Also attending the California meeting were representatives of Porsche outlets in the Midwest and Southwest.

Follmer said it appears that the national suits challenging the move on federal antitrust grounds will be filed in California. He added that the fight would also be carried on in state courts as well under local franchise laws.

"Everybody is alarmed," said Bob Smith, a long-time Hollywood Porsche-Audi dealer. He said he thinks he may be the only dealer not going to court over the matter.

"I'm waiting for the dust to settle, I've been around a long time," he said. "I'm kinda sitting here on the sidelines waiting to see what they're (Porsche) really going to do. I don't think that thing will work. It's pretty hard to sell cars over the phone."

But even Smith said there's a limit on how long he will wait. "In the next 30 days, things better start to happen," he said.

Both sides must win, leaked document says

GM outlines '84 bargaining goals

By Marjorie Sorge
Labor Editor

General Motors' wishbook for 1984 bargaining includes the elimination of annual wage increases (AIF) and cost-of-living-adjustments (COLA) in favor of profit sharing. But it emphasizes that negotiations must be a "win-win" situation for both GM and the UAW.

In a report last October to company personnel directors, entitled "Actions to Influence the Outcome of Bargaining," Alfred S. Warren Jr., GM labor relations vice president, said either both sides win in 1984 or "it won't work." The report became public last week.

Besides outlining GM's preliminary bargaining strategy, Warren also emphasized the need for company union jointness in problem-solving and indicated that the UAW-GM national bargaining teams should conduct joint workshops to provide a common information base before bargaining starts in July.

But the UAW was most concerned with the strategy of eliminating AIF and COLA.

"We intend to go into negotiations this summer as we always have before: United and determined to address the needs of our members, not the deluded desires of General Motors," said UAW President Owen Bieber and UAW Vice President Donald F. Ephlin, head of the GM department.

The union last week labeled GM's collective bargaining strategy "wishful thinking."

"This document supports many of our worst suspicions about the motives and intentions of General Motors where the UAW is concerned," Bieber said.

• Some observers have said that the document, which is both damaging and reflective, will push the two sides closer

Continued on Page 59, Col. 3

New Ice Age feared for GM and UAW

By Marjorie Sorge
Labor Editor

News Analysis

The next Ice Age of industrial relations could be moving in on General Motors and the UAW.

The warming relationship that has been developing over the past years between the two natural adversaries is being chilled by a leaked internal company document outlining GM's bargaining strategy for 1984. The document is moving over the relationship like a glacier, chilling the buds of the future.

Those buds include profit sharing, the Quality of Worklife programs and other joint UAW/GM ventures that were just beginning to bloom. Now, because of a document meant only for the eyes and ears of GM industrial relations people, the highly touted profit-sharing and Quality of Worklife programs are undermined and mutual trust has suffered.

It's on those things that the future relationship of the UAW and GM are built.

The glacier may have been triggered by a very parochial

Continued on Page 59, Col. 1

Salesroom in mall doubles Kelly sales

FORT WAYNE, Ind. — Opening a salesroom on a temporary basis inside a Fort Wayne Mall has paid off for Jim Kelly Buick. Kelly reports that his car sales are averaging 10 a day in the mall, double the average on the outside lot in another part of the city.

Kelly said he is considering leasing a spot inside the mall on a permanent basis. Customers are more inclined to buy in the mall salesroom where conditions are much more comfortable, he said.

index

Auction reports	46, 59
Automotive World News	34
Classified advertising	48
Editorial page	10
Engineering	18
Obituaries	58
Production by makes	62
Truck highlights	16

59th year — No. 5010

AUTOMOTIVE NEWS (ISSN 0005-1551) is published weekly except semiweekly the fourth week in April at 965 E. Jefferson Avenue, Detroit, MI 48207. Second-class postage is paid at Detroit, MI and at additional mailing offices. Postmaster: Send address changes to AUTOMOTIVE NEWS, Circulation Department, 740 Rush Street, Chicago, IL 60611.

New rule designed to protect consumers

FTC limits creditors' recourse acts

WASHINGTON. — The FTC has approved 4-0 a new rule limiting the remedies which auto dealers, finance companies and other lenders and retail installment sellers may use against delinquent or defaulting consumers in consumer credit contracts.

But the rule, which is designed to protect consumers from unfair or deceptive practices by creditors, does not go into effect for another year.

At the end of 1981, consumers owed about $90 billion on the kinds of contracts covered under the new rule, according to the FTC.

Among the practices prohibited by the FTC rule are:

1. Confessions of judgment, under which consumers forfeit their right to be notified of a court hearing on their debts and the opportunity to present their side of the case.

2. Waivers of exemption, under which consumers give up their state law rights to keep certain essential items, such as clothing or cooking utensils, in the event of property seizure.

3. Wage assignments, which permit creditors to garnish a consumer's wages without going to court or honoring federal laws limiting such actions.

Under the rule, creditors must also warn cosigners that they are responsible for the debts if the debtors default and must not assess more than one late charge if the debtor has missed only one payment.

Not all of these actions are prohibited under all circumstances, however. Creditors may garnish wages if the consumer authorizes the arrangement and is allowed to cancel it and creditors may repossess household goods if the consumer borrowed money to buy them and used them as collateral for the loan.

The FTC rule does not cover most banks or savings and loan institutions, the regulation of which is the responsibility of other government agencies.

Individual states may also apply for exemption from the rule if they have consumer protection laws substantially equivalent to any of the FTC rule's provisions.

Bankrupt firm can cancel union pacts, high court says

WASHINGTON.—A company can throw out its union contracts immediately after filing for Chapter 11 bankruptcy reorganization, according to a Supreme Court decision last week.

The court ruled 5-4 that a financially strapped company can get a bankruptcy judge to reject a labor contract as long as the company can prove that bargaining would not produce a satisfactory solution.

The test case was the National Labor Relations Board vs. Bildisco & Bildisco, a New Jersey building supply firm.

UAW President Owen Bieber said the decision "will discourage efforts by unions to aid employers threatened by bankruptcy.

"In many cases, it won't make much sense for the union to grant adjustments to an ailing employer on Monday, merely to have that revised agreement torn up on Tuesday on the grounds that contract costs are 'burdensome,'" he said.

Bieber also said the UAW "believes it is a subversion of the bankruptcy laws to allow employers seeking financial reorganization to get out of union contracts, especially when collective bargaining contracts are encouraged and protected under federal law."

The union intends to lobby in Congress to have the law amended. Rep. Peter W. Rodino Jr., New Jersey Democrat and head of the House Judiciary Committee, has said he will introduce a bill that would negate the Supreme Court decision. Paul Simon, Illinois Democrat, will also sponsor a similar bill.

In another matter, the UAW has announced it will appeal a decision by the NLRB which permits companies to move work from a unionized shop to a non-unionized shop unless contractually prohibited from doing so. This can be done when negotiations have been exhausted.

The ruling dismissed a case against Milwaukee Spring Division of Illinois Coil Spring Co. for moving about 100 unionized jobs to a non-union plant in McHenry, Ill. The UAW represented the Milwaukee plant. The company sought concessions from the union before it moved the jobs.

Honda to add second line of cars for U.S. market

Continued from Page 1

tive class sedan during the 1986 model year into the U.S.

The car, which is being jointly developed by BL and Honda, will be built in each company's respective home country, with BL selling its models through its own network, and Honda selling Japanese-produced versions apparently through this new division being formed. BL has codenamed the car XX, while Honda calls its version the HX.

Chino stressed that although the cars share the same design, "they will be quite different." He said each company will use its own powertrains. Chino said his company's car will be powered by a V-6.

Other cars will most likely be sold alongside the HX in the new dealer organization, such as a two-seat mid-engine sports car that is under development and other models not sold by Honda in this market. The new division appears to be considerably upmarket from the traditional car lines offered by the existing organization.

While this new division marks a change in Honda's corporate structure in the U.S., Chino said at the Dallas press conference that the company has no plans to reorganize the company along strict car and motorcycle lines.

Motorcycles are the foundation of the company and much of what Honda does in the U.S. car market evolves from motorcycles activities, he said.

American Honda also plans a new headquarters building in Torrance, Calif., having acquired 80 acres in the Los Angeles suburb for $30 million. Facilities for Honda Research & Development, the company's design studio and a parts warehouse will be built first, with the general headquarters moving over from Gardena later.

GM plant wipes out unemployment office

ST. LOUIS.—The new General Motors plant in Wentzville has put a Missouri unemployment office out of busines.

Because of the resurgence in the automotive industry, nearly 3,000 persons are working at the plant. However, there was nothing for staffers to do at the state Employment Security office and it is closing.

GM to recall 77,000 vehicles to fix seat locks

DETROIT. — General Motors is recalling about 77,000 1984-model two-door passenger cars and light trucks equipped with certain bucket seats to inspect for seat-back inertia locks which may not meet federal safety requirements.

An estimated 10 percent of the seat-back locks on these vehicles may need to be replaced, GM said.

In the event of a vehicle collision, the inertia locks on these vehicles may not function, allowing the seat back to fold forward. This could result in an injury to an unbelted seat occupant. GM said it is not aware of any accidents or injuries resulting from this condition.

Some vehicles with bucket seats from all domestic GM car and truck divisions are included in the recall. Owners are being notified and parts will be available at GM dealerships March 1.

Swig's salesmen to vote on decertification

SAN FRANCISCO.—New-car salesmen for the six dealerships in the San Francisco Autocenter headed by Martin Swig have filed a petition with the National Labor Relations Board (NLRB) to supervise an election proposed to decertify Teamsters Union Local 960 as their bargaining agent.

The decertification, if it occurs, would be another defeat for the local. After a month-long strike, its members returned to their jobs pretty much on management's terms.

The NLRB also has been asked to establish whether contracts agreed to by salesmen at three other dealerships here are valid.

Local 960 members voted to accept a contract offered by European Motors (Mercedes-Benz), California Porsche-Audi and San Francisco Lincoln-Mercury.

Contempo Vans customizes Camaros

Contempo Vans, North Hollywood, Calif., unveiled a customized Camaro at the NADA convention in Dallas. The company will convert drop-shipped Camaros from dealers within 10 days of receipt of the car. The package includes a modified rear deck instead of the factory-installed glass hatch, lower rocker panel extensions and wheel flares, custom paint and 16-inch alloy wheels with high-performance tires.

Mid-month sales explode; total is best in eight years

Continued from Page 1

76.17 percent, climbing to 135,118 from 76,697.

Ford Motor Co. was up 64.78 percent, to 53,383 from 32,396. American Motors reported estimated sales of 5,125 AMC and U.S.-built Renault products, up 34.87 percent from 3,800 a year ago.

Honda nudged Volkswagen from fourth place for the fourth time this year with sales of 2,334. VW reported sales of 1,839, up 34.63 percent from 1,366. Honda had no 10-day report a year earlier although its products were on the U.S. market.

GM earned 59.98 percent of the mid-month market, up from 59.41 percent. Ford slipped to 23.70 percent from 25.09 percent. Chrysler claimed 12.19 percent, up from 11.49 percent. AMC dropped to 2.28 percent from 2.95 percent, and VW was down to 0.82 percent from 1.06 percent, while Honda held the remaining 1.03 percent of the current year's market.

Two GM divisions reported record sales mid-month. Cadillac had its best-ever Feb. 11-20 with sales of 9,669 units. The previous record was 9,569 set in 1979. Oldsmobile splintered its 1976 record of 25,702 sales with the 35,110 its dealers retailed this year. Oldsmobile also surpassed Ford Division sales as it pursued its goal of second place in the sales lineup.

GM's Chevrolet reported doubled sales, up 101.97 percent, to 47,761 from 23,647. Buick was up 16.12 percent, to 20,338 from 17,515, and Pontiac announced a sales explosion of 149.72 percent, to 22,240 from 8,906. Pontiac sales exceeded Buick for the first time in recent history.

At Ford Motor Co., Ford sales were up 65.66 percent, to 34,940 from 21,092; Mercury was up 58.95 percent, to 14,159 from 8,908, and Lincoln was up 78.80 percent, to 4,284 from 2,396.

Plymouth was up 74.61 percent, Dodge was up 79.82 percent and Chrysler was up 106.37 percent in mid-February.

AMC was down 1.32 percent while Renault was up 50.38 percent, VW was up 34.63 percent and Honda had no year-ago benchmark.

Sales so far this calendar year totaled 990,383, up 31.45 percent from 678,867 in 1983.

DOMESTIC SALES

	Feb. 11-20, 1984	Feb. 11-20, 1983
Renault Alliance/Encore	4,000†	2,660†
AMC	1,125†	1,140†
AMERICAN MOTORS	5,125†	3,800†
Chrysler	8,818	4,273
Imperial	.....	62
Plymouth	8,095	4,636
Dodge	10,548	5,866
CHRYSLER CORP.	27,461	14,837
Ford	34,940	21,092
Mercury	14,159	8,908
Lincoln	4,284	2,396
FORD MOTOR CO.	53,383	32,396
Buick	20,338	17,515
Cadillac	9,669	5,491
Chevrolet	47,761	23,647
Oldsmobile	35,110	21,143
Pontiac	22,240	8,906
GENERAL MOTORS	135,118	76,697
VOLKSWAGEN	1,839	1,366
HONDA	2,334	.....
U.S. INDUSTRY TOTAL	225,260	129,096

† estimated

Ford air-bag fleet to cost $35 million

Continued from Page 3

would settle for the "availability" of air bags, in place of a safety standard mandating their installation, Steed said NHTSA was still reviewing the docket on the passive restraint rulemaking and that no decision had been made.

A Ford spokesman said Ford hoped to make the air-bag option available to other fleet buyers as a result of the government contract and that Ford expected to sell as many as 30,000 air-bagged vehicles in 1985

He said Ford hoped to see demand increase for air bags as an option when more air-bag-equipped fleet vehicles are on the road.

German auto fans like Saab Turbo

ORANGE, Conn.—The readers of Auto Motor und Sport, a West German magazine, have chosen the Saab Turbo as "the best imported car in Germany under 2.5-liters" for the fourth consecutive year, Saab has announced.

In the overall vote for best car, the Saab Turbo took sixth place. Overall winner was the Mercedes-Benz 500-SEL, followed by Porsche 911 Cabriolet, the four-wheel-drive Mercedes G, Ferrari BB 512i and Fiat Uno.

PRODUCTION OVERSEAS

FRANCE
Cars

	12 mos., 1983	12 mos., 1982
Peugeot SA	1,321,418	1,285,272
Citroen	542,481	522,317
Peugeot	605,566	536,500
Talbot	173,371	226,455
Renault	1,639,405	1,491,853
Total	2,960,823	2,777,125

Vans, trucks, buses

CBM	89	108
Peugeot SA	128,304	138,412
Citroen	27,956	29,946
Peugeot	81,927	92,889
Talbot	18,421	15,577
Renault	240,456	227,965
Sovam	79	103
Unic	6,111	5,094
Total	375,039	371,682
Total vehicles	3,335,862	3,148,807

UNITED KINGDOM
Cars

	12 mos., 1983	12 mos., 1982
BL	473,341	405,116
Austin Rover	433,183	369,839
Jaguar	27,977	22,042
Range Rover	12,181	13,235
Carbodies	2,171	1,864
DeLorean	0	1,333
Ford	318,674	306,635
Lotus	642	572
Reliant	105	87
Rolls-Royce	1,568	2,489
Talbot	120,503	56,235
TVR	291	121
Vauxhall	126,524	112,669
Others	778	558
Total	1,044,597	887,679

Vans, trucks, buses

Bedford	51,478	51,733
BL	86,202	88,925
Austin Rover	25,147	20,995
Land Rover	30,093	39,903
Freight Rover	18,152	13,767
Leyland Veh.	12,810	14,260
ERF	1,536	1,736
Foden	630	746
Ford	96,843	115,637
Hestair Dennis	788	746
Karrier	4,707	6,395
MCW	402	375
Reliant	214	3
Seddon Atkinson	1,264	1,821
Volvo	1,788	1,455
Others	299	503
Total	244,514	268,798
Total vehicles	1,289,111	1,156,477

REGISTRATIONS OVERSEAS

WEST GERMANY
Cars

	12 mos., 1983	12 mos., 1982
Alfa Romeo	12,062	11,221
Bertone	839	510
BL Cars	5,772	4,156
BMW	155,683	127,315
Daihatsu	6,290	5,870
Fiat Auto	101,517	93,343
Ford	287,999	242,712
General Motors	448,637	392,853
Honda	30,766	32,072
Isuzu	1,488	0
Lada	8,281	6,585
Mazda	58,567	40,573
Mercedes-Benz	246,160	233,645
Mitsubishi	37,516	33,530
Nissan	46,038	42,490
Peugeot SA	92,011	86,810
Citroen	41,749	38,699
Peugeot	29,285	23,353
Talbot	20,977	24,758
Pininfarina	614	190
Porsche	12,176	10,327
Renault	89,652	83,927
Saab	3,718	3,037
Seat	981	0
Skoda	1,578	1,330
Subaru	5,604	4,700
Suzuki	14,120	11,942
Toyota	56,000	40,037
VW-Audi Group	686,052	631,942
Audi	169,204	125,590
Volkswagen	516,848	506,352
Volvo	15,261	12,511
Others	1,392	1,435
Total	2,426,774	2,155,537

UNITED KINGDOM
Cars

	12 mos., 1983	12 mos., 1982
Alfa Romeo	7,763	8,928
BL Cars	332,725	227,260
Austin Rover	322,665	268,124
Jaguar	7,069	6,440
Range Rover	2,991	2,696
BMW	25,178	22,977
Daihatsu	5,198	4,743
Fiat Auto	49,715	48,808
Ford	518,048	474,192
FSO	4,439	3,105
General Motors	262,141	181,737
Honda	18,796	16,333
Hyundai	3,412	2,993
Lada	19,225	16,752
Lotus	383	410
Mazda	17,638	15,139
Mercedes-Benz	13,506	12,164
Mitsubishi	9,145	8,640
Nissan	104,684	93,213
Panther	119	26
Peugeot SA	105,246	99,932
Citroen	25,751	24,149
Peugeot	21,342	19,636
Talbot	58,153	56,147
Porsche	3,333	2,700
Reliant	93	114
Renault	62,923	64,147
Rolls-Royce	633	805
Saab	9,490	9,474
Skoda	11,059	9,272
Subaru	3,627	2,700
Suzuki	3,356	2,763
Toyota	31,683	27,590
VW-Audi Group	100,727	92,435
Volvo	61,250	51,707
Zastava	4,634	3,101
Others	1,530	863
Total	1,791,699	1,555,027

Vans, trucks, buses

BL	55,510	41,912
Austin Rover	25,256	18,385
Freight Rover	14,209	9,617
Land Rover	6,768	6,004
Leyland Veh.	9,277	7,906
Daf	2,580	1,975
Daihatsu	3,683	3,691
ERF	1,237	1,348
Fiat Auto	3,616	2,306
Foden	602	522
Ford	86,546	84,204
General Motors	36,672	32,827
Hestair Dennis	622	610
Honda	2,653	2,296
Hyundai	1,151	517
IVECO	2,802	2,269
Karrier	4,802	4,785
Mazda	2,900	1,878
MCW	415	214
Mercedes-Benz	10,004	7,979
Mitsubishi	2,319	1,218
Nissan	5,842	4,756
Peugeot-Talbot	9,155	5,798
Polski	633	454
Renault	6,371	4,338
Scania	1,913	1,504
Seddon Atkinson	1,538	1,731
Subaru	1,738	1,537
Suzuki	1,731	887
Toyota	5,349	4,041
VW/VW-MAN	9,997	10,538
Volvo	4,362	3,832
Zastava	24	0
Others	91,485	68,046
Total	267,837	231,010

HOLLAND
Cars

	12 mos., 1983	12 mos., 1982
Alfa Romeo	4,465	4,053
American Motors	28	51
BL	7,976	6,558
BMW	14,833	14,270
Chrysler	42	45
Daihatsu	4,827	2,622
Fiat Auto	30,061	22,276
Ford	49,696	42,451
FSO	108	38
General Motors	74,873	65,646
Honda	10,815	14,193
Hyundai	3,276	2,276
Lada	2,593	2,637
Mazda	19,952	15,052
Mercedes-Benz	8,905	8,065
Mitsubishi	14,075	14,051
Nissan	23,382	18,800
Peugeot SA	48,617	48,510
Citroen	23,333	22,085
Peugeot/Talbot	25,284	26,425
Porsche	213	160
Renault	29,196	32,487
Saab	3,677	3,371
Seat	1,142	0
Skoda	2,997	1,219
Subaru	3,598	1,070
Suzuki	11,355	7,424
Toyota	19,837	17,846
VW-Audi Group	38,059	37,142
Volvo	22,101	17,059
Zastava	1,726	949
Total	459,131	406,991

ITALY
(sales)
Cars

	12 mos., 1983	12 mos., 1982
Alfa Romeo	104,182	106,655
BL	27,093	31,630
BMW	28,237	26,232
Fiat Auto	876,130	869,787
Fiat	744,268	750,873
Lancia/ Autobianchi	131,862	118,914
Ford	72,276	84,916
General Motors	55,371	62,445
Innocenti	13,723	19,767
Mercedes-Benz	13,350	13,158
Peugeot SA	100,931	142,607
Citroen	57,921	74,529
Peugeot/Talbot	43,010	68,078
Renault	161,642	185,871
VW-Audi Group	91,147	115,530
Audi/Porsche	22,644	26,341
Volkswagen	68,503	89,189
Volvo	17,299	14,762
Others	20,155	11,220
Total	1,582,027	1,684,580

BELGIUM
Cars

	12 mos., 1983	12 mos., 1982
Alfa Romeo	4,291	4,171
BL	5,120	5,511
BMW	10,026	11,374
Daihatsu	1,895	1,644
Fiat Auto	21,005	19,318
Ford	26,403	29,563
General Motors	37,966	35,386
Honda	8,999	11,440
Hyundai	919	887
Lada	14,925	16,426
Mazda	11,559	12,563
Mercedes-Benz	8,456	8,433
Mitsubishi	9,993	11,548
Nissan	17,433	12,909
Peugeot SA	45,659	47,041
Citroen	22,648	22,636
Peugeot/Talbot	23,011	24,405
Porsche	516	521
Renault	27,687	32,376
Saab	1,165	1,021
Seat	826	0
Skoda	2,881	2,349
Subaru	2,309	1,080
Suzuki	3,150	1,793
Toyota	22,342	21,082
VW-Audi Group	44,368	46,166
Audi	12,217	10,394
Volkswagen	32,151	35,772
Volvo	6,961	7,082
Wartburg	994	858
Total	338,933	344,318

SWEDEN
Cars

	12 mos., 1983	12 mos., 1982
Alfa Romeo	810	557
BMW	4,113	3,644
Daihatsu	1,065	1,396
Fiat Auto	5,571	4,094
Ford	21,556	22,407
General Motors	20,934	22,352
Honda	2,986	4,459
Lada	2,244	2,948
Mazda	12,269	10,800
Mercedes-Benz	5,854	6,300
Mitsubishi	1,614	1,504
Nissan	5,862	6,282
Peugeot SA	6,721	5,483
Citroen	2,816	2,300
Peugeot/Talbot	3,905	3,183
Porsche	209	163
Renault	2,222	2,480
Saab	29,270	30,562
Skoda	375	405
Subaru	638	476
Toyota	8,646	3,288
VW-Audi Group	22,125	26,270
Audi	4,616	4,901
Volkswagen	17,509	21,369
Volvo	62,012	57,522
Others	27	36
Total	217,123	218,428

AUSTRIA
Cars

	12 mos., 1983	12 mos., 1982
Alfa Romeo	2,880	2,594
BL	462	631
BMW	8,522	7,037
Daihatsu	1,041	350
Fiat Auto	14,568	11,919
Ford	21,681	16,679
General Motors	33,961	27,594
Honda	4,146	3,020
Lada	1,639	2,059
Mazda	27,228	18,787
Mercedes-Benz	7,926	4,896
Mitsubishi	4,582	3,953
Nissan	16,368	12,522
Peugeot SA	13,299	14,114
Citroen	6,892	6,037
Peugeot/Talbot	8,717	8,077
Porsche	538	405
Renault	12,051	11,827
Saab	516	479
Seat	284	0
Skoda	867	376
Subaru	3,808	3,127
Suzuki	1,068	817
Toyota	12,017	7,440
VW-Audi Group	52,099	40,344
Audi	10,976	7,682
Volkswagen	41,123	32,662
Volvo	3,877	3,045
Others	107	134
Total	247,847	194,150

NORWAY
Cars

	12 mos., 1983	12 mos., 1982
Alfa Romeo	70	89
BMW	2,083	2,534
Dacia	11	0
Daihatsu	1,047	869
Dodge	70	90
Fiat Auto	2,733	1,888
Ford	16,216	17,591
General Motors	14,579	15,302
Honda	3,277	4,443
Lada	3,208	3,970
Mazda	14,043	14,765
Mercedes-Benz	1,714	1,555
Mitsubishi	3,765	3,721
Nissan	7,552	8,715
Peugeot SA	5,614	6,271
Citroen	2,070	1,896
Peugeot/Talbot	3,544	4,375
Renault	483	523
Saab	2,178	2,331
Skoda	494	662
Subaru	1,225	1,020
Toyota	8,419	8,963
VW-Audi Group	12,206	13,819
Volvo	8,344	7,295
Total	109,672	115,573

Australian connection

Multi-company production links formed

By Pedr Davis
Staff Correspondent

Mitsubishi Motors Australia has begun assembling 90 Mercedes-Benz bus chassis for Adelaide's new O-Bahn track-guided busway due for completion in 1986. A division of the former Leyland Australia organization has started on the vehicles.

In the first link between the three companies, two South Australian-based firms have been awarded contracts to build 50 articulated and 40 rigid buses. Bodies will be built in Adelaide by coach builder P.M.C., a division of J.R.A., formerly Leyland Australia.

The agreement is the latest in a series of moves which has forged some unusual links. Nissan Australia has renewed its contract to assemble Volvo cars. The former Leyland operation now distributes Peugeot models and the Honda-built Quintet. Ford assembles and markets Mazda-built 323 and 626 models under Ford nameplates. General Motors-Holden's assembles the Isuzu Gemini sedan and markets Isuzu commercial vehicles. Toyota distributes Hino trucks but not Daihatsu, despite the Japanese affiliation between the companies.

The agreement between Mercedes and Mitsubishi is said to be initially worth $18.8 million.

The work involves assembly of the chassis to driveaway condition and includes six-cylinder diesel engine, powertrain, antiskid braking system, suspensions, track-guiding systems and cab. Locally made tires, batteries and fuel tanks are used.

Adelaide's Northeast Busway already incorporates the longest completed section of O-Bahn guided track in the world and involves use of buses guided without driver steering on a concrete trackway at speeds up to 100 KMH. Off the 12 kilometer-long guideway, vehicles will operate as normal buses with full driver control.

The completed Northeast Busway will provide a rapid, scenic connection between the city of Adelaide and its northeast suburbs.

News briefs

Continued from Page 35

Mercedes plays it cool

To most other auto makers, the results would be outstanding; to Daimler-Benz, the 1983 showing is "satisfactory." The company's consolidated sales rose 1 percent to DM 39.3 billion ($14.2 billion). Auto production was up (458,000 to 475,000), but commercial vehicle output declined as a result of lower export demand; German output was down 7 percent to 173,000 and overseas production down 15 percent to 48,000. Employment remained at around 150,000 and investments stood at $1.1 billion.

Old empire links for BL

Pakistan will produce the old Ital sedan when production in the UK ceases to make way for the new LM11 (Geneva show debut). The $30 million deal initially involves exports from the UK, but within three years will involve local production at a plant 150 miles from Islamabad. BL's second pending deal involves local assembly in India of KD Rover sedans. BL's Austin Rover agreement with Standard Motors of Madras calls for full local production after the joint Project XX between A-R and Honda is launched next year.

Men on the move

Hans Merkle, 71, chief executive of Robert Bosch in Stuttgart, is to be replaced by Dr. Marcus Bierich, from the Allianz insurance group. Jeffrey Wilkinson, joint managing director of the UK's Lucas Industries, has left the company. Tony Gill, the other managing director, will assume responsibilities.

Brian Weedon is the new director of sales and business development at Perkins Engines. He has been director of business ventures with Massey Ferguson in Toronto for the past two years.

Rolls-Royce Motors has created a special post to tackle one of its most pressing problems—recovering lost sales in the domestic market. The job will be handled by Tom Purves, director, UK sales operation. He is a life-long Rolls-Royce employe.

Volvo for Gulf Stream

WEST PALM BEACH, Fla.—Gulf Stream Motors, Inc., has been franchised by Volvo. Ernest A. Bastin is president.

BEST COPY AVAILABLE

Directors write to dealers

NADA letter answers GM on fleet subsidies

WASHINGTON.—NADA expressed its strong support for the anti-fleet-subsidy bill (H.R. 1415) in a letter to NADA members under signatures of area directors.

The FTC, on the other hand, puts its opposition to the bill on the record when Chairman James C. Miller III and Commissioner Michael Pertschuk testified before the House Commerce Subcommittee.

Miller also spelled out the FTC's view in a letter to Rep. Peter W. Rodino Jr., New Jersey Democrat, whose Judiciary Committee has jurisdiction over the bill.

NADA explained H.R. 1415 to its members as a bill "which would require vehicle manufacturers to pay dealers the same subsidies which are paid to fleet purchasers."

"There is no justification for current practices which allow fleet operators to purchase vehicles for hundreds of dollars less than the price charged to dealers," the letter said. "A fleet operator which registers only 10 vehicles in any combination of brands can generally receive subsidies if only a single unit is purchased from an individual manufacturer."

NADA's letter was in answer to a letter which General Motors President F. James McDonald sent to GM dealers about the bill.

• In its letter, NADA said, "GM and others have claimed that the bill would prohibit them from using innovative marketing programs to stimulate sales of new cars and trucks. This is not true.

"The bill would only require that incentive programs be made available to all customers on an equal basis. Fleets could not be favored, but the manufacturer would be free to use whatever marketing incentives it might deem most effective," the letter said.

"It has been asserted," it continued, "that all retail incentives would have to be paid to fleet operators and that this would be prohibitive in cost. It is true that all incentives would have to be equal, however, fleets today receive a disproportionate share of incentive money."

As for claims that H.R. 1415 would control prices of vehicles, the NADA letter explained that makers would be free to set prices and offer incentives. "They would only be prevented from offering preferential prices to only one class of purchaser."

The letter also answered the charge that fleet subsidies do not result in higher consumer prices, but actually hold factory costs down by saying, "Fleet subsidies, in the aggregate, amount to hundreds of millions of dollars each year and the pricing decisions of the manufacturers clearly reflect these enormously expensive subsidies."

Chrysler profits soar to record of $701 million

Continued from Page 2

If sales of Chrysler Defense were included, Chrysler's 1982 sales would have been $10.06 billion.

Unit sales for 1983 rose 26 percent, from 1.18 million to 1.49 million.

• Chrysler Financial Corp. contributed $47.4 million to Chrysler's profit last year. That was down 9 percent from 1982's reported net earnings of $52.2 million.

But in 1982, Chrysler contributed $32 million to Chrysler Financial. It contributed nothing last year. So the subsidiary's actual net income doubled last year.

After paying off its government-guaranteed loans, paying dividend arrearages to preferred-stock holders, buying back stock warrants and paying off $40 million in loans to Peugeot, Chrysler had $1.07 billion in the bank at year-end.

That was 19 percent more than the $897 million it held at the end of 1982. That cash balance has increased during the first quarter of 1984, Miller said.

Chrysler contributed $52 million to its executive bonus fund for 1,300 executives.

Forty million dollars was contributed to the employe stock plan. At the time of the announcement last Thursday, Iacocca said each Chrysler hourly worker had about $5,325 in retirement benefits from the three-year-old stock plan.

Miller estimated workers would have received $2,000 in profit sharing last year had they not traded the program away in favor of a cash settlement and benefits. For 1983, the package they received in return ended up with a value of about the same amount as that traded away, he said.

From a low of 42,300 hourly workers in January, 1982, Chrysler hourly employment has risen to 70,500, Iacocca said.

Fourth-quarter profits totaled $118.3 million (91 cents a share) — not a record, but a $214 million turnaround from the loss of $96.1 million ($1.30 a share) in the fourth quarter of 1982.

It was Chrysler's first profitable fourth quarter in five years.

Sales for the fourth quarter were $3.78 billion, up 71 percent from $2.21 billion.

The Peugeot write-down took $223.9 million off fourth-quarter net earnings.

IMPORTED-CAR RETAIL OUTLETS

	Jan. 1, 1984		Jan. 1, 1983	
Imported cars only				
Exclusives	2,750		2,643	
Duals	1,130		1,287	
		3,880		3,930
Import-domestic duals				
Domestics with captive imports	3,864		3,637	
Domestics with other imports	2,352		2,444	
		6,216		6,081
Total imported-car dealers		10,096		10,011

Notes: Renault and Volkswagen are counted as domestics
Captive imports are Dodge—Colt, Conquest (Challenger in 1983) and Vista; Plymouth—Colt, Conquest (Sapporo in 1983) and Vista.

Copyright, 1984, Automotive News

But change in mix cuts combined U. S.-foreign count

Import dealer total up 85 for year

Continued from Page 1

Dodge, up 252; Plymouth, up 244; Bertone/Pininfarina, up 141; Lotus, up 25; Nissan, up 18; Mitsubishi and Honda, each up 16; Subaru, up 14; TVR, up 12; Isuzu and BMW, each up 11; Maserati, up 7; Saab, up 6; Mercedes-Benz, up 3; Aston Martin Lagonda and Porsche, each up 2, and Volvo, up 1.

The losers: DeLorean, down 250; Jaguar, down 16; Peugeot, down 14; Toyota, down 12; Alfa Romeo, down 11; Mazda, down 9; Audi, down 8; Rolls-Royce, down 4, and Ferrari, down 2.

Ten makes were at record levels on Jan. 1, each of them breaking or tieing an old record set July 1, 1983.

The 10: Plymouth captives, with 2,831 franchises, up 174 from its previous record; Dodge captives, 2,744, up 167; Honda, 822, up 14; Subaru, 798, up 5; Mercedes-Benz, 416, up 2; BMW, 414, up 7; Porsche, 330, a tie; Isuzu, 217, up 1; Mitsubishi, 83, up 8, and Maserati, 41, up 5.

Honda continued to increase its share of exclusive dealers during the year while decreasing its dualed dealers. Honda exclusives rose by 47 to 444, meaning 54 percent of its network is now exclusive, compared to 49 percent in 1982.

Other makes with large numbers of exclusive dealers were Toyota, 661 exclusives or 61 percent of its total; Nissan, 541 exclusives, 58 percent; Subaru, 302 exclusives, 38 percent; Mazda, 111 exclusives, 15 percent; Volvo and BMW, each 110 exclusives and 27 percent, and Mercedes-Benz, 95 exclusives, 23 percent.

Mitsubishi had 83 exclusives, or all of its dealers. Saab had 62 exclusives, 19 percent of its network.

Eighty-one percent of the single-line import dealerships carried Japanese cars. The Japanese franchise total rose 6 percent during the year, but most of the gain belonged to Chrysler Corp. dealers carrying captive imports. Non-captive Japanese lines were up a modest 1 percent — a smaller percentage increase than that of the franchise total.

Nissan dealers outnumbered Toyota dealers for the first semiannual census since July, 1982.

The number of Italian-car franchises rose 68 percent to 334, thanks to the new Pininfarina / Bertone network. German franchise totals remained relatively unchanged at 1,573. (Volkswagen is counted as a domestic and was included in the Feb. 13 Automotive News dealer census.)

French-car franchises fell 4 percent to 316, but that includes only Peugeot; Renault, too, is counted as a domestic because of its American Motors production link.

British-car franchises plummeted 43 percent to 305 because DeLorean had been included in the UK total.

IMPORT OUTLETS

Number of dealerships in U. S. handling imported cars, 1957 to 1984

Jan. 1, 1957	2,930
Jan. 1, 1958	11,409
Jan. 1, 1959	14,031
Jan. 1, 1960	14,674
Jan. 1, 1961	13,135
Jan. 1, 1962	11,894
Jan. 1, 1963	7,138
Jan. 1, 1964	5,249
Jan. 1, 1965	5,856
Jan. 1, 1966	6,013
Jan. 1, 1967	6,588
Jan. 1, 1968	7,156
Jan. 1, 1969	7,869
Jan. 1, 1970	8,311
Jan. 1, 1971	9,860
Jan. 1, 1972	12,375
Jan. 1, 1973	13,332
Jan. 1, 1974	11,246
Jan. 1, 1975	11,489
Jan. 1, 1976	10,414
Jan. 1, 1977	11,387
Jan. 1, 1978	17,374
July 1, 1978	17,700*
Jan. 1, 1979	17,114
Jan. 1, 1980	16,919
Jan. 1, 1981	16,681
Jan. 1, 1982	11,270**
Jan. 1, 1983	10,011***
Jan. 1, 1984	10,096

*—Alltime high
**—VW counted as domestic in 1982 and subsequent years.
***—Renault counted as domestic in 1983 and subsequent years.

Copyright, 1984, Automtive News

Agency says it could hurt competition, consumers, dealers

FTC opposes anti-fleet-subsidy bill

Continued from Page 1

FTC since Chairman Miller arrived came from complaints issued before his arrival and that the FTC's senior staff recently recommended closing two "major" Robinson-Patman investigations "despite good indications that violations have occurred."

FTC noted that while the purpose of H.R. 1415 is to protect franchised car dealers from unfair price discrimination, it really goes far beyond the prohibitions of the Robinson-Patman Act.

For example, there need not be any showing of injury to competition and the bill would ban price differences to buyers who are not even competing. Further, there are no defenses such as showing price differences occurred because of cost savings or to meet a competitor's low price.

FTC said that the bill—which seems to require a uniform nationwide price — might even entitle a dealer in Hawaii to sue a Michigan auto maker "for charging a higher price to that dealer than to one located a mile from the factory."

FTC added, "By failing to take into account cost differences or competitive conditions, this section of the bill would restrict the ability of the manufacturers to compete with one another and could lead to distortions in the competitive process without any countervailing benefits."

Moreover, said FTC, the bill — in banning any restriction on a dealer not imposed on any other direct buyer — might affect prices charged to the Federal Government, the American Red Cross, etc. — even though these buyers should not have restrictions such as floor space, servicing provisions or use of trademarks.

Yet another section of the NADA bill, said FTC, would seem to bar auto makers from developing alternatives to the current distribution system although there would seem to be no "valid reason" to prevent makers from selling directly to fleet buyers if that would be more efficient for them.

The NADA bill, FTC continues, goes far beyond the Robinson-Patman Act in banning price discrimination and would mean the factories could not pass along savings in selling or delivery costs to large-volume purchasers.

Even though the bill would seem to allow factories to sell to dealers (or others) for resale to government entities at a lower price, the price would have to be uniform for all similarly equipped models — and this would be the same whether it's one car or hundreds.

Even though NADA has incorporated an exemption in this section, the FTC contended that it is so limited that it suggests if the bill were to become law, it "could well result in substantially increased costs to all levels of government."

obituaries

Garrett R. Ramsey

BIXBY, Okla.—Garrett R. Ramsey, 80, owner of Ramsey Chevrolet Co., died here. He opened the dealership in 1957.

Alfa Romeo added

NORTH MIAMI BEACH, Fla. — Prestige Motorcar Imports, Inc., has added Alfa Romeo to its Peugeot line. Irv David is president of the dealership.

NEW-CAR OUTLETS

U. S. and Import

	No. of Retail Outlets	Pct. Gain or Loss from Previous Year
Jan. 1, 1957	39,138	n/a
Jan. 1, 1958	39,108	−0.1%
Jan. 1, 1959	37,558	−4.0%
Jan. 1, 1960	36,336	−3.3%
Jan. 1, 1961	34,803	−4.2%
Jan. 1, 1962	33,461	−3.9%
Jan. 1, 1963	33,308	−0.4%
Jan. 1, 1964	33,291	−0.1%
Jan. 1, 1965	33,360	+0.2%
Jan. 1, 1966	33,114	−0.7%
Jan. 1, 1967	31,584	−4.6%
Jan. 1, 1968	31,101	−1.5%
Jan. 1, 1969	31,076	−0.1%
Jan. 1, 1970	30,842	−0.8%
Jan. 1, 1971	30,314	−1.8%
Jan. 1, 1972	30,150	−0.5%
Jan. 1, 1973	30,094	−0.2%
Jan. 1, 1974	29,998	−0.3%
Jan. 1, 1975	29,701	−1.0%
Jan. 1, 1976	29,309	−1.3%
Jan. 1, 1977	27,744	−1.9%
Jan. 1, 1976	28,656	−0.3%
Jan. 1, 1979	28,512	−0.5%
Jan. 1, 1980	27,891	−2.2%
Jan. 1, 1981	26,333	−5.6%
Jan. 1, 1982	25,703	−2.4%
Jan. 1, 1983	24,729	−3.8%
Jan. 1, 1984	24,721	−0.0%

Copyright, 1984, Automotive News

Leaked document threatens future relationship

New Ice Age feared for GM, UAW

Continued from Page 3

self interest directly contrary to the best interests of both the UAW and GM. The document was leaked first to someone in the UAW and then that person leaked it to the media.

Whoever leaked the document, either intentionally or unintentionally, severely damaged the still fragile company-union joint relationship.

The document also wounds Donald F. Ephlin, UAW vice president and director of the union's GM department, who has been one of the progressive union leaders working to further develop the age of reason between the union and the company.

Now, the chill between the UAW and GM is so great that some locals have threatened to pull out of the QWL programs and a planned joint trip to Japan will likely be canceled.

• Those involved in the Saturn project, the new "no-year" subcompact designed and built by both union and management personnel, were to go to Japan together along with some of the members of the GM and UAW bargaining teams.

It was to be an informal getting-to-know-you trip which would hopefully allow both sides to understand the personalities of those sitting across the bargaining table so no 11th-hour slipups would develop because of personality quirks.

Now, it is politically very difficult for that trip to take place — and that is disastrous, not only for the Saturn project but for negotiations. It could easily move the two sides farther away from the age of reason and back into the age of confrontation.

The document, written by Alfred S. Warren Jr., GM labor relations vice president, is the company's wishbook for 1984 bargaining and targets the elimination of annual raises (AIF) and cost-of-living-adjustments (COLA), hoping to replace them with profit sharing.

GM maintains the report was only part of a preliminary strategy meeting for labor relations people and doesn't necessarily reflect the view of the GM Executive Committee. However, those views coincide nicely with those of GM Chairman Roger B. Smith, who believes the company needs to increase its earnings to invest in the future and that every worker should be an entrepreneur, part of GM through profit sharing.

Warren has not been quiet about the elimination of AIF. He told AUTOMOTIVE NEWS in November it was dead, swapped for other things in 1982 bargaining. He said then that although GM is very profitable, it still is non-competitive and he was looking for some way to get the union to understand that.

• Much of the document is geared toward that end, although some of the words are inappropriate in the public domain. The term "influence the UAW leadership" is used and does not sit well with the UAW leaders. At times, the document gives the impression that GM considers Ephlin to be in its hip pocket. But it is only that, an impression.

In reality, Warren was emphasizing the need to continue briefing Ephlin on GM's business and the need for Ephlin to meet often with GM officials to establish a "jointness" between union and company.

Unfortunately, many in the union aren't taking it that way. They see it as a company move to control the UAW by controlling the leadership. That is hurting Ephlin's method of working with the company.

Ephlin believes that both sides should work together, but still remain adversaries during negotiations. He seems to be following the late Walter Reuther's theory of "come let us reason together."

He has developed a good working relationship with the company and has been accused by some in the union of being too close to the company. That has caused him internal political problems. This new development certainly isn't going to help, and it is going to take some doing on his part to put things back together before negotiations start in July.

Although the document is in many ways damaging to the 1984 bargaining, it is also reflective. Warren points out the need for a "win-win" situation for both sides in bargaining this year; otherwise "it won't work."

The problem GM has, he said, is to sidestep the "Restore More in '84" movement gaining steam in the UAW membership. Workers made exchanges in 1982 bargaining that saved GM more than $2 billion in the 30-month contract lifetime.

• However, in 1983 GM made $3.73 billion, stockholders got $2.80 in dividends, joint ventures were announced with Japanese companies and executive bonuses were expected to be at an alltime high. Those things do little to stop the restoration movement, and Warren said that in the document, and he's right.

It will now be more than very difficult to convince workers that "executive bonuses are earned and not some special privilege" as the document suggests. It is going to be even more difficult to make employes understand "that the issue is not how much money GM is making but rather how much money GM needs for business."

Another problem with the document is that the media and the public really don't know what else was said at the meeting. It was a closed meeting for GM labor relations people only; there are no minutes, at least public minutes, so there is no way to know what other discussions were held on the points in the document.

In fact, looking at the paper, it is easy to assume that GM means to lay off between 80,000 and 100,000 workers by 1986 because of a graph attached to the report. However, it is simply an example of what could happen if no other economic cuts were made and all cost reduction was accomplished by reducing the workforce.

It is kind of like the age-old theological question of what happened between the first and second verses of the Bible. Was there an Ice Age then that destroyed the world or not? But that document is all the UAW membership has seen.

At GM and the UAW, there is an Ice Age and it's a shame.

It's a shame that GM's bargaining strategy is now public record and that the company couldn't keep its internal reports secret.

It's a shame that once the UAW had the document, it couldn't keep it quiet, using it to develop its own strategy.

Now, the doors are wide open for a confrontation and Ephlin has said that a strike at GM this year would send the union-company relationship back to the sitdown strike days.

The question now is, can they put it back together before the contract expires on Sept. 14.

25 with Buick

Lloyd S. Kyle, center, Kyle Motors, Inc., Vermilion, O., receives a tray in recognition of his 25th anniversary as a Buick dealer from W. M. Veselick, Cleveland zone manager. Witnessing the presentation is Ruth Kyle, the dealer's wife.

Bommarito's Nissan deal moves to larger facility

ST. LOUIS.—In a couple of years, Tom Bommarito has become one of the largest Nissan dealers in the state and has moved to larger quarters.

He started out as a Datsun dealer in the fall of 1982 and now occupies five acres and 15,000 square-feet of floor space.

NADA giving Porsche system 'top priority'

Continued from Page 3

have strict franchise laws.

On the federal side, NADA is studying possible federal litigation and already has an antitrust attorney studying the issues of this situation. The association is also studying possible federal legislation.

Both McCarthy and Jennings said that the fastest way to stop Porsche from accomplishing this revamping of the distribution system is on the state level with litigation.

Porsche dealers have 60 days to decide whether they want to be agents under the proposed Porsche system. McCarthy said NADA has been advising dealers to "sit tight" for a while to see how the various actions proceed.

McCarthy also said that Porsche AG has filed with the Securities and Exchange Commission in order to raise funds for the 40 centers. Litigation won't help their cause.

He was confident that suits will be filed since "a lot of dealers are meeting with lawyers."

factories list auction dates

Chrysler Corp.

March 6—Aptco Auto Auction, Taylor, Mich.; Hatfield Auto Auction, Hatfield, Pa., and NuCarPrep System, Santa Fe Springs, Calif.

March 7 — Minneapolis Auto Auction, Plymouth, Minn.

March 9—Concord Auto Auction, Acton, Mass.

Ford Motor Co.

Feb. 28—Aptco Auto Auction, Taylor, Mich.

Feb. 29 — Golden Gate Auto Auction, Fremont, Calif., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

March 1—Skyline Auto Exchange, Fairfield, N. J.

American Motors

Feb. 28—D-A Auto Auction, New Stanton, Pa., and High Point Auto Auction, High Point, N. C.

Feb. 29—Columbus Fair Auto Auction, Obetz, O.; Kansas City Auto Auction, Kansas City, Mo., and Southern Auto Auction, Warehouse Point, Conn.

General Motors

Feb. 29—Arena Auto Auction, Chicago, Ill., and Atlanta Auto Auction, Red Oak, Ga.

March 5—Florida Auto Auction of Orlando, Orlando, Fla.

March 7 — Brasher's Auto Auction, Fontana, Calif.

March 8—Aptco Auto Auction, Taylor, Mich., and Dallas Auto Auction, Dallas, Tex.

March 13—South Seattle Auto Auction, Kent, Wash., and Ohio Auto Auction, Columbus, O.

March 14—Hatfield Auto Auction, Hatfield, Pa., and Northstar Auto Auction, Shakopee, Minn.

March 15 — Nashville Auto Auction, Nashville, Tenn.

March 20 — Southern Auto Auction, E. Windsor, Conn.

March 21 — Metro Auto Auction, Kansas City, Mo., and Golden Gate Auto Auction, Fremont, Calif.

March 28—Arena Auto Auction, Chicago, Ill., and Clanton's Auto Auction, Darlington, S. C.

March 29—Butler Auto Auction, Gibsonia, Pa.

Used Car Sales
Auction Averages

February	$5,340
Month ago	$5,359
Year ago	$4,733

Model breakdown
Auction Averages

	FEBRUARY	JANUARY	DECEMBER
1984	$10,278	$10,118	
1983	8,587	8,110	$9,683
1982	6,218	6,338	6,445
1981	5,154	5,279	5,414
1980	4,526	4,239	4,734
1979	3,469	3,902	3,995
1978	2,421	2,589	2,959
1977	1,907	1,999	1,895
Overall Average	$ 5,340	$ 5,359	$ 4,308

Both sides must win, leaked document says

GM outlines '84 bargaining goals

Continued from Page 3

to a strike when the contract expires Sept. 14.

"It just makes a difficult task harder," said Ephlin.

Besides calling for the elimination of AIF and COLA, which have been included in the contracts since 1948, the Warren report also would:

1. Replace the three-year cycle of formal bargaining at the local level with continuing problem-solving processes or a "living document." Sources said it is GM's intention to develop longer local agreements, avoiding the three-year cyclical shakeup. They said problems build up during the three-year agreements and are never discussed until the next formal bargaining session. Changes would include a more on-going talking process.

2. Establish multi-tiered wages and benefits so they are responsive to competitive pressures.

3. Limit pay for time not worked.

4. Support changes in local work practices and seniority bumping procedures to increase productivity.

5, Implement more new technology to improve productivity, reduce costs, or improve quality.

• In a graph accompanying the report Warren said that hourly employment at GM could drop by about 75,000 to 80,000 by August, 1986, if productivity continues to improve at 2 to 3 percent annually and could drop by more than 100,000 by that time if aggressive productivity increases of 8.5 percent could be reached.

But, sources said, this is only an example of what could happen to GM's hourly workforce if savings in hourly labor cost and cost per car were accomplished by only cutting the workforce. This is not necessarily part of GM's future plans.

6. Discontinue the pilot employment program, negotiated in 1982 which set up these programs at four plants. The program provided for lifetime job guarantees for 80 percent of the workforce at the pilot plants. The program so far has not been initiated.

7. Increase the "jointness" of the Quality of Worklife program. Recently, QWL has come under fire because the programs have not been developed in a joint atmosphere. Some locals have pulled out of the program.

8. Continue and/or strengthen the absenteeism program. Also, negotiated in 1982, the absenteeism program ties heavy absenteeism to losses in benefits.

9. Support the adoption of "pay of knowledge" programs. Under the program, workers are able to increase their wages by learning more jobs. Pilot programs have been established in five plants, with pocket groups in a number of others.

10. Freeze current compensation levels.

11. Begin time-lagged introduction of selected new economic provisions.

12. Reduce hiring rates and extend grow-in provisions for new employes.

Makers assemble 169,823 cars

Car production dips 4 pct. for week

By Joe Wilssens
Staff Writer

U. S. auto makers slated production of 169,823 units last week, a 4.71 percent decrease from the 178,218 autos assembled the previous week, but 27.29 percent greater than the 133,417 produced in the year-ago week.

The production total for 1984 climbed to 1,297,575 units, up 43.55 percent from 903,908 cars completed in the comparable period last year.

Breakdown for the week by company was: General Motors, 56.88 percent; Ford Motor Co., 21.83 percent; Chrysler Corp., 15.75 percent; American Motors, 2.83 percent; Volkswagen of America, 1.38 percent, and Honda, 1.33 percent.

Down last week because of parts shortages were GM's C-car assembly facilities at Wentzville (Mo.), and Orion (Mich.).

Working two shifts Saturday (Feb. 25) were GM plants at: Detroit, Fairfax (Ga.), Janesville (Wis.), Lordstown (O.), Oklahoma City and Lansing. GM's Pontiac plant scheduled one overtime shift Saturday.

Chrysler's Belvidere (Ill.), Newark (Del.) and St. Louis No. 1 plants operated two 9-hour daily shifts last week. Jefferson (Detroit) operated two 8½-hour daily shifts. Belvidere, Newark and St. Louis No. 1 and No. 2 worked two 8-hour overtime shifts Saturday.

This week, Chrysler plans two 9-hour daily shifts at Belvidere, Newark and St. Louis No. 1 and No. 2.

AMC moves into the black with 1st profit in 15 quarters

Continued from Page 2

AMC's Jeep product line, he said. AMC is minority partner in the joint venture.

AMC has not decided whether to build its large car — believed to be a version of the new Renault 25—at the Toledo plant where Jeeps are assembled or at Brampton, Ont., where Jeeps and Eagles are built, said AMC President Jose J. Dedeurwaerder.

AMC will negotiate with the Canadian Government on the issue, he said. A decision will be reached by year-end.

Jeep production is now running at 700 per day. AMC has capacity for 1,000 per day, Dedeurwaerder said.

• For the first time, Tippett announced AMC will not import the R-25. Previously, AMC officials always had held open the possibility of importing a larger car.

In fact, Tippett said in announcing the AMC results that AMC plans to enter both the compact and intermediate markets, so it apparently has more than the R-25 in its long-range plans.

AMC's auto wholesale sales rose 38 percent last year, from 195,791 to 270,019. Jeep sales rose 25 percent, from 90,729 to 113,443.

AMC's loss from continuing operations widened from $232.15 million in 1982 to $258.34 million last year.

But for the fourth quarter, continuing operations (cars and Jeeps) showed a turnaround of $33.23 million — from the 1982 fourth-quarter loss of $25.86 million to $7.37 million in earnings in the most recent quarter.

Net earnings for the quarter (including AM General) improved by $10.24 million, going from a loss of $2.87 million (10 cents a share) to earnings of $7.37 million (6 cents a share).

Sales for the quarter rose 28 percent if AM General sales are included in 1982 figures, going from $856.82 million to a record $1.10 billion. If continuing operations are compared year to year, the quarterly increase was 50 percent, from $729.48 million to $1.10 billion.

Meanwhile, unit sales of cars and Jeeps rose 43 percent, from 83,659 to 119,221 for the quarter.

Tippett credited AMC employes, creditors, the UAW, suppliers, dealers and Renault for what he called "a year of significant achievement and turnaround for American Motors."

AMC plans to recall all its laid-off Kenosha workers "as soon as possible," he said.

And he noted that the average age of AMC's product line is now 2½ years old, compared with an average of 10 years old in 1981.

Volvo names dealer

CHICO, Calif.—Courtesy Motors has been awarded a Volvo franchise. Rodney H. Raphael and Lionel G. Sullivan are partners in Courtesy Motors.

Truck production tops 62,000; off slightly for week

U. S. truck producers targeted production of 62,079 units last week. The total is down 781 units from the previous week's output of 62,860 but was 44.82 percent higher than 42,869 built in the year-ago week.

Year-to-date, 477,643 trucks have been completed, leading the year-ago total of 293,002 by 63.02 percent.

Seven truck facilities worked additional hours last week.

Ford Motor Co.'s Kansas City and Twin Cities (Minn.) facilities scheduled additional Saturday (Feb. 25) hours.

At General Motors, Detroit, Janesville (Wis.), Lordstown (O.) and Pontiac No. 5 added one overtime shift Saturday.

Nissan continued to work daily 9-hour shifts last week.

GM's Pontiac point begins second-shift operations today (Feb. 27). Approximately 350 laid-off employes will return to work and heavy-duty truck output will be increased from 45 to 72 units a day.

Hourly employes at GM's S-truck plant in Moraine City, O., ratified a local agreement that will allow them to work a four-day week. The vote was 926-516.

The agreement will begin March 12 and be in effect for 60 days.

Canadian output of cars steady; trucks are up

Canadian auto makers slated production of 22,691 cars last week, 1.84 percent less than the prior week's 23,118, but 5.80 percent greater than 21,446 assembled in the year-ago week.

To date this year, the manufacturers have assembled 167,352 autos, 14.00 percent ahead of 146,797 completed during the same period in 1983.

Truck assembly last week was targeted at 18,017, up 5.60 percent from the previous week's 17,062 and 76.19 percent better than 10,226 built in the year-ago week.

Year-to-date, 128,274 trucks have been completed, an impressive 80.33 percent improvement over 71,131 built during the same period last year.

Chrysler Corp. estimated production of 2,352 Dodge Caravans, 2,502 Plymouth Voyagers and 618 Mini Ram Vans at its Windsor (Ont.) plant last week, bringing the year-to-date T-115 total to 30,509.

CANADIAN CAR PRODUCTION

	Week Ended Feb. 25, 1984	Week Ended Feb. 26, 1983	Week Ended Feb. 18 1984	Feb. to Date	Jan. 1 to Feb. 26, 1983	Jan. 1 to Feb. 25, 1984
AMERICAN MOTORS	600	.....	610	2,185	4,853	4,742
CHRYSLER CORP.	.....	4,608	.....	.....	33,282	.....
FORD MOTOR	8,400	5,246	8,282	28,715	33,867	56,639
GENERAL MOTORS	13,511	11,367	14,001	48,574	73,085	104,325
VOLVO	180	225	225	764	1,710	1,646
Total Cars, Canada	22,691	21,446	23,118	80,238	146,797	167,352

TRUCK PRODUCTION IN U. S.†

	Week Ended Feb. 25, 1984	Week Ended Feb. 26, 1983	Week Ended Feb. 18 1984	Feb. to Date	Jan. 1 to Feb. 26, 1983	Jan. 1 to Feb. 25, 1984
CHEVROLET	19,523	14,054	19,428	70,732	104,949	154,328
DODGE	4,200	3,245	4,058	15,045	16,217	32,492
FORD	24,152	19,327	24,491	86,802	113,584	180,643
GMC	6,238	4,463	6,341	22,851	33,984	48,882
INTERNATIONAL	1,416	656	1,606	5,318	6,708	10,812
VOLKSWAGEN	.....	74	.....	.....	235	.....
JEEP	3,500	.....	3,698	12,888	8,925	27,375
NISSAN	2,000*	.....	2,188	7,237	.....	14,921
AM GENERAL	50*	50*	50*	180*	400*	390*
MISCELLANEOUS	1,000*	1,000*	1,000*	3,600*	8,000*	7,800*
Total Trucks, U.S.	62,079	42,869	62,860	224,653	293,002	477,643

CANADIAN TRUCK PRODUCTION

	Week Ended Feb. 25, 1984	Week Ended Feb. 26, 1983	Week Ended Feb. 18 1984	Feb. to Date	Jan. 1 to Feb. 26, 1983	Jan. 1 to Feb. 25, 1984
CHRYSLER CORP.	8,124	2,799	7,165	26,890	21,117	51,562
FORD MOTOR	3,500	2,953	3,428	12,371	15,750	26,351
GENERAL MOTORS	6,248	4,475	6,321	22,685	33,436	49,264
INTERNATIONAL	145	.....	148	526	828	1,097
Total Trucks, Canada	18,017	10,226	17,062	62,472	71,131	128,274
N. American Trucks	80,096	53,095	79,922	287,125	364,133	605,917

†—Now includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.

U. S. CAR PRODUCTION

	Week Ended Feb. 25, 1984	Week Ended Feb. 26, 1983	Week Ended Feb. 18 1984	Feb. to Date	Jan. 1 to Feb. 26, 1983	Jan. 1 to Feb. 25, 1984
AMERICAN MOTORS	4,800	4,054	4,747	17,291	27,670	31,692
AMC Total	.....	835	.....	.....	3,291	.....
Eagle	.....	835	.....	.....	3,291	.....
Renault Total	4,800	3,219	4,747	17,291	24,379	31,692
Alliance	2,400	3,219	2,402	8,774	24,379	15,916
Encore	2,400	.....	2,345	8,517	.....	15,776
CHRYSLER CORP.	26,750	17,795	29,176	98,657	104,183	199,896
Plymouth Total	7,750	6,907	8,001	28,705	38,347	59,723
Horizon	3,200	2,269	3,609	11,966	11,756	23,634
Reliant	4,200	4,549	3,989	15,048	26,185	32,522
Caravelle†	50	89	180	385	406	1,135
Gran Fury	300	.....	223	1,306	.....	2,432
Chrysler Total	8,800	3,626	9,809	32,427	24,185	64,158
LeBaron	2,500	1,623	2,797	9,970	12,199	19,829
Laser	1,500	.....	1,789	5,870	.....	12,342
Chrysler E-Class	1,900	2,003	2,241	7,448	11,986	16,074
Fifth Avenue	2,900	.....	2,982	9,139	.....	15,913
Dodge Total	10,200	7,262	11,366	37,525	41,651	76,015
Omni	3,400	2,064	3,555	11,745	12,634	22,235
Aries	2,900	3,576	3,450	12,057	19,255	25,806
Daytona	1,300	.....	1,376	4,689	.....	10,737
Dodge 400	.....	533	.....	.....	4,073	.....
Dodge 600	1,700	1,089	1,950	6,326	5,689	13,204
Diplomat	900	.....	1,035	2,708	.....	4,033
FORD MOTOR	37,075	34,913	38,307	124,150	210,979	256,753
Ford Division	24,577	23,794	25,053	82,579	135,107	170,163
Escort	7,216	7,359	7,843	26,954	35,122	52,686
Fairmont	.....	2,800	.....	.....	23,705	.....
Mustang	2,827	3,470	2,817	9,029	18,682	19,109
LTD	4,740	3,352	5,203	17,885	27,500	38,075
Thunderbird	4,236	4,568	4,165	14,877	18,846	27,291
Crown Victoria	1,455	2,048	1,455	5,228	10,538	12,455
EXP	555	197	645	2,133	714	5,491
Tempo	3,548	.....	2,925	6,473	.....	15,056
L-M Division	12,498	11,119	13,254	41,571	75,872	86,590
Mercury Total	8,908	8,707	9,131	29,558	58,673	61,910
Lynx	1,605	1,903	1,951	5,767	9,247	11,222
Capri	377	697	264	1,010	3,790	2,750
Zephyr	.....	1,128	.....	.....	8,626	.....
Marquis	2,124	1,190	2,038	7,243	9,483	15,061
Cougar	2,101	1,539	1,455	5,940	7,701	12,324
Grand Marquis	2,175	2,208	2,175	7,824	19,576	15,688
LN7	.....	42	.....	.....	250	.....
Topaz	526	.....	1,248	1,774	.....	4,865
Lincoln Total	3,590	2,412	4,123	12,013	17,199	24,680
Continental	659	482	732	2,176	3,430	4,550
Lincoln	2,245	1,036	2,576	7,548	7,534	12,263
Mark VI/VII	686	894	815	2,289	6,235	7,867
GENERAL MOTORS	96,598	74,100	101,418	358,779	543,739	773,136
Buick Division	18,017	17,339	22,715	77,106	130,962	166,839
Skylark	.....	2,801	2,786	7,118	15,367	15,237
Skyhawk	3,080	1,367	3,171	11,198	11,492	25,524
Century	4,827	3,279	4,907	17,369	22,680	35,353
Regal	3,960	4,259	4,913	16,611	40,727	36,200
Buick	5,060	4,894	5,658	19,932	35,274	43,362
Riviera	1,090	739	1,195	4,147	5,422	9,671
Electra (fwd)	.....	.....	85	731	.....	1,492
Cadillac Division	7,195	6,962	7,310	25,303	53,937	53,783
Cimarron	515	578	450	1,733	4,726	3,666
Seville	905	1,065	985	3,083	5,781	6,205
Eldorado	1,557	1,692	1,711	5,562	12,402	11,552
Cadillac	4,218	3,627	4,164	14,290	31,628	31,076
DeVille (fwd)	.....	.....	.....	635	.....	1,284
Chevrolet Division	35,348	21,548	33,374	125,943	156,101	266,927
Chevette	4,993	4,917	4,159	15,764	31,019	32,726
Cavalier	8,945	4,143	8,022	30,559	27,351	66,438
Celebrity	6,609	801	6,366	24,811	9,022	47,719
Camaro	5,180	3,155	5,258	18,972	29,580	42,457
Citation	2,107	2,602	2,042	7,511	18,364	14,990
Malibu/El Camino	665	3,160	768	2,508	20,031	4,860
Monte Carlo	3,640	1,451	4,012	14,134	12,738	32,586
Chevrolet	2,524	974	2,486	8,945	6,886	19,262
Corvette	685	345	761	2,739	1,110	5,889
Oldsmobile Division	24,427	21,477	26,235	90,425	148,393	198,778
Omega	.....	2,630	1,286	3,450	11,687	7,419
Firenza	1,260	837	1,252	4,512	5,921	11,264
Cutlass Supreme	7,923	6,193	8,232	27,395	44,322	59,470
Cutlass Ciera	4,480	4,314	4,927	17,402	25,237	39,234
Oldsmobile	9,896	6,658	9,582	33,752	54,937	73,081
Olds 98 (fwd)	.....	.....	.....	645	.....	1,336
Toronado	868	845	956	3,269	6,289	6,974
Pontiac Division	11,611	6,774	11,284	40,002	54,346	86,809
Acadian†	300	307	335	1,175	2,367	2,511
2000 Sunbird	3,580	1,422	3,331	10,837	12,890	23,225
1000	702	714	755	2,869	5,984	6,275
Firebird	2,200	1,582	2,192	7,985	13,018	17,916
Phoenix	279	702	274	1,029	5,316	2,551
G. Prix/Bonneville	1,400	2,047	1,411	5,101	14,771	11,317
Parisienne	520	.....	447	1,748	.....	3,765
Fiero	2,630	.....	2,539	9,258	.....	19,249
HONDA	2,250	545	2,178	7,992	2,908	17,602
VOLKSWAGEN	2,350	2,010	2,392	8,557	14,429	18,496
Total Cars, U.S.	169,823	133,417	178,218	615,426	903,908	1,297,575
Total Cars, Canada	22,691	21,446	23,118	80,238	146,797	167,352
N. American Cars	192,514	154,863	201,336	695,664	1,050,705	1,464,927
N. American Trucks	80,096	53,095	79,922	287,125	364,133	605,917
North American Cars and Trucks	272,610	207,958	281,258	982,789	1,414,838	2,070,844

†—All Acadians and Caravelles are built for sale in Canada. *—Estimated.

316
C2700-1

Automotive News®

March 5, 1984

© Entire contents copyright, 1984, by Crain Automotive Group, Inc. All rights reserved.
Reproduction or use of editorial content in any manner without permission is strictly prohibited.

59th year—$40 per year, $1.00 per copy

Sales per dealer rise in '83; Japan seizes top four spots

By Jenny L. King
Staff Writer

Not only did the new-car sales picture brighten in 1983, but the number of sales per outlet improved substantially for dealers handling both domestics and imports.

Retail deliveries climbed just over 15 percent in the last calendar year as the dealer population stabilized, producing higher averages for those still in the business of selling cars.

As was the case in 1982, there were only four domestic makes among the top 10 when the 1983 sales per outlet by make chart was figured, using AUTOMOTIVE NEWS dealer census figures and annual industry-wide sales totals.

The best four in sales per outlet were Japanese. Toyota had the lead, followed by Honda and Nissan.

Mitsubishi, finishing its first full year on the U. S. market in 1983, took fourth place away from the top domestic make, Oldsmobile, which lapsed into fifth. Buick was sixth, Chevrolet was seventh, Ford eighth, Mazda ninth and Volvo — the only European make in the top 10 — was tenth.

Average sales per outlet including domestics and imports reached 374 last year, up from 323 in 1982. The domestic average was 330, compared with 277 a year earlier, and the imports sales per outlet averaged 235 in '83, compared with 200 in '82.

All five major U. S. auto makers increased sales per outlet 1983 vs. 1982. General Motors expanded to 402 from 338. Ford Motor Co. climbed to 289 from 243. Chrysler Corp. beefed up its corporate average to 226 from 189.

At American Motors, where the final tally included AMC products, Renault Alliance/Encore and Renault imported models, the 1983 total climbed to 125 from 96 a year earlier. Volkswagen, including domestic Rabbits and imported nameplates, was up to 177 from 164.

More tables on Page 60.

• Honda sales per outlet include cars built in Ohio and those imported from Japan. As its 1983 total was about 13 percent Ohio-sourced, Honda is still considered an import in the AUTOMOTIVE NEWS dealer census.

Two domestic and six import sales per outlet records were set in 1983. Oldsmobile, at a new high of 320, erased its 1978 record of 302, and Buick likewise obliterated a 1978 record of 256 with its 1983 average of 288.

Imports with new benchmarks were Nissan, Volvo, Mercedes-Benz, BMW, Saab and Jaguar. Nissan's 479 was better than its 475 in 1980. Volvo, at 220 sales per outlet, improved on the former record of 185 set in 1982. Other 1982 records laid to rest were Mercedes', BMW's, Saab's and Jaguar's.

Shifts in the sales per outlet by make table encompassing all major makes were made by Cadillac, up from spot number 14 to number 12; VW down to 14 from 11; Renault up to 18 from 26; Audi down to 20 from 17; Jaguar up to 24 from 27; Lincoln down to 26 from 22, and AMC down to 30 from 25.

• The domestics-only lineup, 1983 versus 1982, shows Oldsmobile holding on to the top spot among the 13 U. S. makes. Buick remained second, Chevrolet third and Ford fourth.

Cadillac moved up to fifth from seventh, Pontiac stayed sixth and VW dropped to seventh from fifth. Mercury remained in eighth place, Dodge in ninth and Plymouth 10th. Chrysler was 11th both years, Lincoln 12th and AMC 13th.

The Oldsmobile 88/98 and standard Cadillac were the best-selling nameplates per outlet among the domestics in 1983,

Continued on Page 60, Col. 1

SALES PER OUTLET

1983 Position	Make	1982 Position
1—511	Toyota	484— 1
2—494	Honda	455— 2
3—479	Nissan	428— 3
4—435	Mitsubishi	59—24
5—320	Oldsmobile	254— 4
6—288	Buick	247— 5
7—261	Chevrolet	238— 6
8—230	Ford	197— 8
9—228	Mazda	213— 7
10—220	Volvo	185—10
11—198	Subaru	195— 9
12—189	Cadillac	157—14
13—167	Pontiac	162—12
14—177	Mercedes-Benz	161—13
14—177	Volkswagen	164—11
16—156	Mercury	125—16
17—145	BMW	132—15
18—135	Renault	51—26
19—120	Dodge	105—18
20—115	Audi	108—17
21— 99	Plymouth	98—19
22— 98	Isuzu	77—20
23— 94	Chrysler	66—21
24— 81	Saab	60—23
24— 81	Jaguar	49—27
26— 67	Lincoln	54—22
27— 66	Porsche	44—28
28— 47	Peugeot	43—29
29— 27	Alfa Romeo	17—31
30— 23	AMC	53—25
31— 15	Dodge Colt	16—32
32— 13	Plymouth Colt	15—33
33— 5	Challenger	6—35
34— 4	Sapporo	5—37
35— 2	Imperial	6—35

Fast Ferrari

Turbo twinned

Ferrari GTO has 400-HP, 2.8-liter V-8 fitted with twin turbos. It is based on the 308-GTB but the engine is north-south rather than east-west. Ferrari will build 200 for homologation, but none will be sold in the U. S. It was unveiled at the Geneva Auto Show. More pictures on Page 2.

Alternative fuel is gaining favor

Methanol a hot issue in Washington

By Helen Kahn
Washington Bureau Chief

WASHINGTON. — Methanol is just about the biggest thing to hit this town since the great oil shocks of the early 1970s, and instead of being bad for the auto industry, it has great potential. Except, of course, it is not good for drinking, inhaling or hand washing.

Last week, the House Fossil and Synthetic Fuels Subcommittee, chaired by Rep. Philip R. Sharp, Indiana Democrat, released its report — the result of a two-year staff study.

Sharp and other sponsors of the Methanol Energy Policy Act of 1984 discussed their proposal which is intended to deal with the chicken/egg problem. That is, the auto makers will not build methanol vehicles until the fuel is available and the fossil fuel industry will not have enough methanol available until there are vehicles available.

Rep. Richard L. Ottinger, New York Democrat and chairman of the House Energy Conservation Subcommittee, plans to sponsor a proposal for a mandatory test fleet of government cars and buses.

The White House recently set up a broad-based Cabinet group to study regulatory barriers to using methanol as an automotive fuel. This has generated action within EPA, NHTSA and the Treasury Department.

Environmentalists are starting to focus on the potential of using high-sulfur coal to produce methanol as a partial solution to the acid rain problem.

• Foreign policy students like methanol's potential for lessening dependence on foreign oil. Conservationists like it because it is fuel efficient and in the short and intermediate term can use surplus natural gas before switching to coal.

The White House has found itself a respectable environmental and energy issue that looks good and will cost nothing whatsoever this year.

This is not to say no problems exist with methanol. The two most prominent ones — the presence of formaldehyde and the hydroscopic nature of the

Continued on Page 62, Col. 1

Drive for technical competence is the theme

SAE show wins applause in Detroit

By Roger Rowand
Engineering Editor

They say you can judge the health of the industry by how well the annual SAE Show looks and fares. Show attendance in Detroit last week pushed at record highs, more cheerful showgoers spoke openly of an improved exposition area and technical sessions attracted healthy audiences.

The overriding motivation behind the big event, of course, is the drive for technical competence and that point was addressed by General Motors President F. James. McDonald as he keynoted the meeting on opening day.

After ticking off a list of areas in which GM clearly shows technical leadership, McDonald said: "It sounds as if we're in the driver's seat, doesn't it?

"The trouble is, we're not alone."

Most advanced automotive technology originated in this country, he said, but technical skills have a way of leveling out, "and that's what's happened," McDonald continued. "Today, skills and tools are pretty evenly distributed throughout the world. No producer has a clear advantage.

"Our challenge is to create such an advantage by leaping ahead of our competitors, and that isn't going to be easy. For too long, it's taken too long to move ideas into the factory and the product. Too often, a breakthrough stays bottled up in the lab or lies dormant inside a computer.

"We've got to break this stranglehold on our own technical future. No special magic is involved, and mostly it's a matter of creating enough discipline to get the job done.

"The lack isn't in R&D," McDonald said. "It's in our ability to swiftly move the results of R&D to the marketplace with

Continued on Page 62, Col. 4

breaking news

$100-million suit filed against Porsche, VWoA

NEW YORK. — World-Wide Volkswagen, the independent distributor for Porsche, Volkswagen and Audi in Orangeburg, N.Y., filed a $100-million suit in Federal court against Porsche AG, Porsche Cars of North America and Volkswagen of America among others last week. It is the first legal action taken against Porsche since it announced its plans to cancel dealers and distributors.

Chrysler repays Illinois, revises Michigan loan

DETROIT. — Chrysler Corp. last week paid off its $20 million loan from Illinois nearly five years early and revised its $150 million loan from Michigan to provide for repayment six years early. The Illinois loan was to be repaid by

See BREAKING NEWS, Page 8, Col. 1

NEWSPAPER
Fir
M
AN
M0208144C0E0EAC00E FMJT
ACO EDITOR
ACO EDITOR SRI
CONGRESSIONAL INFO SERV
4520 EAST-WEST HWY ST6800
BETHESDA MD 20814

GM chief charts growth

$45 billion aftermarket is predicted by Smith

By Francis J. Gawronski
Service Editor

CHICAGO. — A booming business for the automotive aftermarket, with sales topping $45 billion annually by 1988, was forecast by Roger B. Smith, General Motors chairman.

Speaking at the 25th annual convention of the Automotive Service Industry Assn. here, Smith said the outlook for significantly higher vehicle sales in the years ahead "spells continued growth and opportunity for the automotive aftermarket."

"Aftermarket sales have doubled just in the last 10 years," he said. "Part of that was inflation, of course. But at the end of 1983, the market for automotive service parts — excluding tires and such add-on accessories as mirrors and seat covers — exceeded $40 billion at retail price levels.

"And we expect it will grow — in constant dollars — between 2.5 percent and 3 percent over the next five years," Smith told ASIA members. "That would put the market between $45 and $46.5 billion in constant dollars by 1988."

Smith said the strong auto sales increases of the past few months, which eventually will help the aftermarket, "tell us that the industry's recovery is on track . . . in fact, business is considerably stronger than we anticipated . . . the outlook is extremely good."

"Industrywide new-car and truck sales are definitely up," he said. "In the U. S. last year, they totaled 12.3 million units — a 17 percent increase over 1982.

"And GM is projecting a 14 percent increase for the industry in 1984," Smith said. "That would mean total industry sales of 14 million units — 10.5 million cars and 3.5 million trucks."

In the years ahead, according to Smith, sales prospects are even more promising.

"Sometime in the mid-'90s, North American new-car and truck sales could reach 20 million units for the first time," Smith said. "In the same period, worldwide car and truck sales could reach 60 million. That would be 22 million units better than our best year of 1978, when the worldwide total was just over 38 million units."

Noting that GM's commitment to the automotive aftermarket is "strong and growing stronger" by renewed emphasis on quality parts and service and by help of new technology, Smith said "the prospects for new growth and opportunity for all of us in the automobile business are better than ever before."

"But to achieve that growth and realize that opportunity, each of us needs to examine our own companies and make the changes necessary to maximize operations," Smith told the meeting.

"We need to continue the revolution that's been rocking our industry in the past several years—and has forever changed the way we manage people and technology and the way we make our products," he said.

Smith also said that GM has long recognized the "importance of the aftermarket to our business."

"Long after the sale is over and done with, we vehicle manufacturers still have the responsibility to see that the service needs of our customers are met," he said. "We want those needs met as long as those vehicles are out there and wherever those vehicles might be.

"Having the right part in the right place at the right time is fundamental to providing the kind of service our customers expect and deserve over the life of their vehicles."

Smith said that of the more than 65 million GM vehicles on the road, over 50 million are in the hands of second and third owners.

"The aftermarket's ability to provide quality parts and service to all owners of GM cars — not just to the owners of current models but also to second and third owners — helps us provide customer satisfaction," he said.

• Smith said GM plans to have quality parts available to sell through the independent aftermarket wherever there is a large car population to be served "and our efforts to assure that service parts are properly installed also will continue."

"Over the past 10 years, AC-Delco (division of GM) has offered service training in our 31 GM training centers around the country to over 427,000 mechanics — people from every segment of the aftermarket," he said.

"We've recorded nearly five million student hours in the classroom. And we expect to provide an additional half-million student hours each year for the next five years.

"Training in the future will be even more critical, because of the increasing use of electronics and other new, high-tech service parts that will be designed and engineered into American vehicles," Smith said.

AC-Delco this year, according to Smith, will offer the aftermarket use of a management information system.

"This will be made available to direct customers through state-of-the-art computer terminals, permitting them to access the AC-Delco main computer in Detroit," he said.

"Customers using this system will be able to do such things as place emergency orders; check on parts availability and order status, and obtain pricing, weight, and buy-quantity information.

"So GM's commitment to the aftermarket is strong and growing stronger," Smith told ASIA.

Pace car replicas ready to roll

The first of the 2,000 Fiero Indy pace car replicas to be sold at Pontiac dealerships starting this spring has been assembled. On hand to inspect the first pace car replicas were Joseph R. Cloutier, right, president of the Indianapolis Motor Speedway, and Tony Hulman George, grandson of the late Indianapolis Speedway owner Tony Hulman.

FTC's used-car rule goes another round

WASHINGTON. — In yet another round of the used-car rule, FTC is starting a 20-day rebuttal period on the issue of whether dealers should be required to disclose known defects.

FTC is attempting to discover if that section of the used-car rule should be changed or eliminated.

While both NADA and the National Independent Automobile Dealers Assn. filed voluminous objections, the major consumer groups filed nothing because they believed the FTC had already made up its mind to abandon any requirement for dealers to tell buyers of known defects.

Both dealer associations have told FTC that they already have to do this and their members do so.

Meanwhile, FTC has denied NADA's petition for extra time to file a cost/benefit analysis study of the known defects section. However, the commission said NADA could petition to have the comment period reopened after March 22.

The FTC promulgated the used-car rule in August, 1981, and dealers would have been required to disclose known defects on a window sticker. But before the rule could become effective, Congress vetoed it.

Last July, the U. S. Supreme Court declared that veto unconstitutional.

• Separately, in litigation by NADA and NIADA against FTC, the Second Circuit Court told the commission to reopen the record to allow comment on the known defects provision. That period closed Jan. 31.

The rebuttal period now starts and apparently another comment period can start if NADA asks for a reopening.

Last August, FTC voted to put the used-car rule into effect six months after the appellate court enters a decision. Chairman James C. Miller III has indicated his support for a very simple rule that would require dealers to tell buyers of the existing warranties.

Although NADA has a similar voluntary program of this sort, the association feels the Miller proposal may be too burdensome.

May hearings pledged on local-content bill

WASHINGTON. — Senate hearings on the UAW's domestic-content bill have been promised for mid-May by Senate Commerce Committee Chairman Robert Packwood, Oregon Republican.

Commerce Committee staffers said four hearings are tentatively planned. Field hearings are called for, as well as two hearings to be held here. Locations for the field hearings have not been disclosed.

Packwood's promise was made in response to a letter from seven committee Democrats asking for hearings within 90 days. But Republican opposition could tie the bill up and election year scheduling might keep the measure from reaching a floor vote—if it is ever voted out of committee.

Talk of a possible move by Senate Democrats to add the domestic-content legislation as an amendment to some other bill on the floor of the Senate has been circulating since the House passed its version of the bill last year by a vote of 219 to 199.

However, Packwood's pledge for hearings could ruin the amendment idea, since the Senate traditionally is reluctant to vote on a matter that originates outside of normal committee channels.

Senate Democrats asking Packwood for the hearings are Ernest Hollings, of South Carolina; Russell B. Long, of Louisiana; Wendell H. Ford, of Kentucky; Donald Riegel, of Michigan; J. James Exon, of Nebraska; Howell T. Heflin, of Alabama, and Frank R. Lautenberg, of New Jersey.

The lone Commerce Committee Democrat who did not sign the letter was Daniel K. Inouye, of Hawaii.

Ford to ship engines to Ford Europe

By Richard Feast
European Editor

GENEVA. — Ford Motor Co. is to become a major engine supplier to Ford of Europe within three years. It will be the first West-East trade on such a scale by Ford and represents a further step in world sourcing of components.

The proposal involves shipment of nearly a quarter of a million examples of a new type of four-cylinder gasoline engine each year.

There are no details on which plant will produce the power units, but sources suggest that it will be in the U. S. rather than Mexico.

James A. Capolongo, president of Ford of Europe, confirmed that the engines will have capacities in the 1.8- to 2-liter range, but would reveal no more.

In Europe, Ford will use it in the upper-medium Sierra, a front-engine/rear-drive auto. But engineering trends in the U. S. suggest that for the domestic market, Ford will use the engine in its front-drive cars.

At present, Ford's European power plant in this category is an aging overhead camshaft unit known as OHC. It will continue in production (at Dagenham, England) for use in the transit van and as an industrial unit.

Ford does not see the current high value of the dollar as a block to its export effort. It points out that Ford is all one company anyway and that it uses only dollars for its inter-company accounting.

• Ford also sees the import of North American engines as a balance for the 250,000 V-6s it dispatches each year from Cologne, West Germany, for use in Ranger trucks.

The issue emerged after William Hayden, Ford of Europe vice president for manufacturing, laid out company engine policy to employes of Ford of Britain protesting about closure of the Dagenham Foundry.

Hayden said that importing 100,000 engines for the UK vehicles alone represented an investment saving of some $215 million. The number of engines required by Ford of Germany will take the total import projection to nearly 250,000.

At the same time, he revealed that Cologne is to produce another new generation of engines beginning in 1987. Ford said it plumped for the German site because its productivity is 50 percent better than in the UK.

Industry observers believe the new Cologne engine will replace the current V-6, though whether it will be of the same configuration no one is saying. If so, it seems likely that it will be exported to the U. S. like the V-6.

In Europe, Ford uses the V-6 in Granada, Sierra and (until it disappears at the end of this year) Capri coupe.

Hayden told trade unionists that Dagenham will make all OHC engines in the future, as well as three types of diesel — the Dover truck unit, the recently announced 1600D passenger-car engine and an all-new direct injection engine which will be announced in the spring.

index

Advertising news 38
Auction reports 46, 47
Classified advertising 49
Editorial page 10
Personnel 57
Production by makes..... 63
Truck highlights 12

59th year — No. 5011

AUTOMOTIVE NEWS (ISSN 0005-1551) is published weekly except semiweekly the fourth week in April at 965 E. Jefferson Avenue, Detroit, MI 48207. Second-class postage is paid at Detroit, MI and at additional mailing offices. Postmaster: Send address changes to AUTOMOTIVE NEWS, Circulation Department, 740 Rush Street, Chicago, IL 60611.

auction directory

COLORADO

Denver Auto Auction, 4285 South Santa Fe, Englewood, Colorado 80110. Sale every Friday, 303-761-1410, 303-761-1459.

ILLINOIS

Greater Chicago Auto Auction. Every Thursday—1 P.M. Sharp. 800—1,000 cars & trucks. 312-597-3600.

CANADA

AUCTION

"CANADA'S LARGEST & FASTEST GROWING AUTO AUCTION CORPORATION"

MONTREAL AUTO AUCTION, LTD.
325 Rue Norman
Ville St. Pierre, P.Q.
Canada, H8R 1A3
Ph. (514) 489-6873
Wednesday 10 AM
1500 - 1800 Cars & Trucks

ONTARIO AUTO AUCTION
406 Lake Ave. North
Hamilton, Ont. Canada L8E 3C2
Ph. (416) 560-4851
(Near Toronto)
Thursday 10 AM
Approx. 500 Cars & Trucks

• **Retail Auctions . . . and Dispersal Auctions Also A Specialty . . . ANYWHERE In Canada!**

A **COMPLETE** AUCTION SERVICE TO DEALERS, LEASE & DAILY RENTAL COMPANIES, THE FACTORY, BANKS, FINANCE COMPANIES, FLEET OWNERS & CORPORATIONS.
WRITE FOR COMPLETE INFORMATION.

LOUISIANA

Bob French's Shreveport Auto Auction. Since 1953. We cater to lease & Fleet accounts. Thurs. 7 P.M. 1315 Grimmet Drive, Shreveport, La. 318-222-5784.

MINNESOTA

Mpls. Auto Auction — Wednesday, 12:30 PM, is sale day. Only 6-lane auction in Midwest. 1135 Nathan Lane No., Minneapolis, 612-546-2403.

MISSOURI

Floyd Hauhe Auto Auction & Recon Ctr.— Fleet & Lease car spec. — Nationwide pickup. 314-739-1300. 12000 St. Charles Rd., Bridgeton, St. Louis, MO 63044.

MISSOURI

Richard Head's Auto Auction, Columbia, Mo. Every Thurs., 12 P.M. Lease cars—will pickup. 314-474-9595. Member NAA & WAA.

NEW YORK

Northway Exchange, Inc., Rte. 146, Clifton Park, N.Y. Auction, 518-371-7500; Recon 371-7800. Northeast's Finest — Every Thursday 11:30 A.M. sharp.

OHIO

Ohio Auto Auction. The Tuesday sale. 3905 Jackson Pike, Columbus, Ohio. 614-871-2771.

OHIO

Wednesday Auto Auction. Exit 49 on I-270, Columbus, Ohio. Every Wednesday. Call: Area 614-497-2000.

PENNSYLVANIA

Hatfield Auto Auction, Route 309, Box 309, Hatfield, Pa. 215-822-1935. Every Tuesday—11 A.M. Pickup service.

CALIFORNIA

FORREST FAULKNOR & SONS AUTO AUCTION
Sale Every Friday
Specializing in out of state, repos, fleet and lease cars. 5 minutes from San Francisco airport. Call us—We Can Do It All.
105 Associated Rd.
S. San Francisco, California 94080
415-872-3242

PENNSYLVANIA

P A D E "We Do it Best!"
SERVING DEALERS AND FLEETS SINCE 1957
Pennsylvania Auto Dealers' Exchange, Inc.
P. O. BOX 41 YORK, PA 17405
PHONE (717) 266-6611

SOUTH CAROLINA

Bruce Auto Auction & Recon Center—Fleet and Lease car and truck disposal our thing. AAA credit. 803-242-3090, Greenville, S. C.

TEXAS

PAT PATTERSON'S Amarillo Auto Auction, Inc. 36 years serving most major fleet and lease companies. 3208 E. 10th, Amarillo, Texas. 806-372-2206.

WASHINGTON

So. Seattle Auto Auction. The Lease & Fleet Specialists. Bob McConkey, Jr., 1-800-872-6800. P.O. Box 5189, Kent, WA 98064.

INDIANA

Sale Every Thursday
DEALER TRADE-IN LINE
10:30 A.M. sharp
REGULAR SALE
12 P.M. sharp
INDIANAPOLIS AUTO AUCTION, INC.
4040 Office Plaza Blvd., Indianapolis, IN 46254
1-317-298-9700

NEW JERSEY

WE SELL FOR THE COUNTRY'S LEADING LEASING CO.'s • FLEETS BANKS • FORD MTR. CO. • GMAC
SKYLINE AUTO AUCTION
100 Route 46, Fairfield, N. J. 07006
(201) 227-0100
6 Lane Selling Every Tuesday

PENNSYLVANIA

GARDEN SPOT AUTO AUCTION
EPHRATA, PA.
SALE TUESDAY, 11 A.M.
FULL SERVICE AUCTION
Out of state fleet & lease accounts welcome
Contact: J. Omar Landis, Jim Landis
P.O. BOX 501, EPHRATA, PA. 17522
717-733-7917

INDIANA

MID STATES AUTO AUCTION
25784 Western Ave.
South Bend, Indiana
Sale every Tuesday 12:00 Noon & every Wednesday 6:00 P.M. SPECIAL ATTENTION given in handling vehicles for Fleet Operators, Leasing Firms, Daily Rental, Banks & Utilities. Phone 1-219-289-7767.

REACH DEALERS THRU AN AD IN THIS SECTION

MISSOURI

HEART OF AMERICA AUTO AUCTION

Proudly Announces

OUR FIRST ANNUAL

CORVETTE & SPECIAL INTEREST SALE

TUESDAY, APRIL 3RD, 11 A.M. SHARP

INSIDE PARKING FOR OVER 400 UNITS

For further information, call or write:

Dave Hill

HEART OF AMERICA AUTO AUCTION

8601 E. 40 Highway **Kansas City, Missouri 64129**

816-921-3399

factories list auction dates

Chrysler Corp.

March 6—Aptco Auto Auction, Taylor, Mich.; Hatfield Auto Auction, Hatfield, Pa., and NuCarPrep System, Santa Fe Springs, Calif.

March 7 — Minneapolis Auto Auction, Plymouth, Minn.

March 9—Concord Auto Auction, Acton, Mass.

Ford Motor Co.

March 7—Columbus Fair Auto Auction, Obetz, O.; Lakeland Auto Auction, Lakeland, Fla.; Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Northway Exchange, Clifton Park, N. Y.

March 13—Arena Auto Auction, Chicago, Ill., and Dallas Auto Auction, Dallas, Tex.

March 14—Clanton's Auto Auction, Darlington, S. C., and Brasher's Southern California Auto Auction, Fontana, Calif.

March 20—Harrisonburg Auto Auction, Harrisonburg, Va.

March 21 — Concord Auto Auction, Acton, Mass., and Central States Auto Auction, Mason City, Ia.

March 22—Nashville Auto Auction, Nashville, Tenn., and 166 Auto Auction, Springfield, Mo.

March 27—Aptco Auto Auction, Taylor, Mich.

March 28—Golden Gate Auto Auction, Fremont, Calif.; Minneapolis Northstar Auto Auction, Shakopee, Minn., and Southwest Auto Auction, Phoenix, Ariz.

March 29—Skyline Auto Exchange, Fairfield, N. J.

General Motors

March 5—Florida Auto Auction of Orlando, Orlando, Fla.

March 7 — Brasher's Auto Auction, Fontana, Calif.

March 8—Aptco Auto Auction, Taylor, Mich., and Dallas Auto Auction, Dallas, Tex.

March 13—South Seattle Auto Auction, Kent, Wash., and Ohio Auto Auction, Columbus, O.

March 14—Hatfield Auto Auction, Hatfield, Pa., and Northstar Auto Auction, Shakopee, Minn.

March 15 — Nashville Auto Auction, Nashville, Tenn.

March 20 — Southern Auto Auction, E. Windsor, Conn.

March 21 — Metro Auto Auction, Kansas City, Mo., and Golden Gate Auto Auction, Fremont, Calif.

March 28—Arena Auto Auction, Chicago, Ill., and Clanton's Auto Auction, Darlington, S. C.

March 29—Butler Auto Auction, Gibsonia, Pa.

Model breakdown

Auction Averages

	March to date	February	January
1984	$10,772	$10,278	$10,118
1983	7,349	8,567	8,110
1982	5,823	6,218	6,338
1981	5,206	5,154	5,279
1980	3,946	4,526	4,239
1979	2,554	3,469	3,902
1978	2,303	2,421	2,589
1977	1,599	1,907	1,999
Overall Average	$ 4,879	$ 5,340	$ 5,359

Used Car Sales

Auction Averages

March to date	$4,879
Month ago	$5,127
Year ago	$4,809

PENNSYLVANIA

THURSDAY, MARCH 15th AT 11 A.M.

HATFIELD AUTO AUCTION

IN CONJUNCTION WITH

HERTZ CORPORATION Hertz

is offering over 400 GVP Ford Motor Products

MERCURY LINCOLN EXCLUSIVE TO FORD-LINCOLN-MERCURY DEALERS

Featuring **150 1983 LINCOLN TOWN CARS** all fully equipped including stereo, coach roofs and passenger reclining seats — **plus** LTD SEDANS and WAGONS, FAIRMONTS, MUSTANGS and ESCORTS

ASTONISHING $75 TO $250 CASH TRANSPORTATION ALLOWANCE FOR EACH UNIT

depending on your distance from Hatfield

Plus complimentary motel room

Plus evening of March 14, a complimentary trip by chartered bus to a fabulous Atlantic City casino including refreshments and hors d'oeuvres

Plus complimentary breakfast on sale date

Airport and Motel Pickup

Your only expense is getting here

Call 215-822-1935, for more information

Auction Every Tuesday

Hatfield Auto Auction

Route 309 Box 309 Hatfield PA 19440
(215) 822-1935

20 miles north of Philadelphia on Route 309

Japan seizes top four spots

Sales per dealer rise to 374 during 1983

Continued from Page 1

with an average of 111 each. Next was Oldsmobile Cutlass Supreme/sedan at 105, followed by Renault Alliance (95), VW Rabbit (93), Buick Regal (80), Buick LeSabre/Electra (78), Ford Escort (71), Oldsmobile Cutlass Ciera (61) and Plymouth Reliant (59).

A year earlier, the full-size Cadillac had first place all to itself, with a 97-per-outlet average. Second was Rabbit at 94, third was Cutlass Supreme/sedan at 89. Fourth place went to Oldsmobile 88/98 with 86, followed by Buick Regal at 76, Ford Escort at 72, Buick LeSabre/Electra at 58, Plymouth Reliant also with 58, Buick Skylark at 48 and Dodge Aries at 46 sales per outlet.

Reliant was the highest average-per-outlet nameplate for Plymouth dealers in 1983. Dodge's best was Aries and Chrysler's LeBaron topped its nameplates. At Ford it was Escort, at Mercury it was Grand Marquis and the standard Lincoln was best among Lincoln franchises.

• Regal was Buick's best performer, standard Cadillac was tops for Cadillac dealers, Chevrolet's highest-average nameplate was Cavalier, Cutlass Supreme was best for Oldsmobile and the 6000 topped Pontiac's list.

Eagle was best nameplate for AMC dealers and Alliance was best for those with Renault franchises.

Renault Alliance had the highest average per outlet among the 15 U.S. subcompacts in 1983. A year earlier, it was VW Rabbit.

Plymouth Reliant retained top spot in the compacts category with 59 sales per dealer in '83 and 58 in '82.

Likewise, Oldsmobile Cutlass Supreme/sedan was first in intermediates last year and in 1982, Oldsmobile 88/98 had the highest average among the standards both years and Cadillac's Fleetwood/DeVille was tops in the luxury class in 1983 and in 1982.

U.S. NAMEPLATES SALES PER OUTLET

1983 Position	Make	1982 Position
SUBCOMPACT		
1—95	Alliance	23— 7
2—93	Rabbit	94— 1
3—71	Escort	72— 2
4—37	Omni/Charger	33— 6
5—34	Horizon/Turismo	34— 5
5—34	Chevette	43— 3
7—30	Lynx	37— 4
8—15	Encore	†
9—11	1000	17— 8
10— 8	Fiero	†
11— 5	EXP	9—10
12— 4	Laser	†
13— 3	Spirit	10— 9
13— 3	Daytona	†
15— 1	LN7	5—11
COMPACT		
1—59	Reliant	58— 1
2—50	Cavalier	23— 8
3—46	Aries	46— 2
4—34	Camaro	34— 3
5—30	2000	19— 9
6—30	Firebird	30— 5
6—30	Tempo	
8—29	LeBaron	33— 4
9—25	Skyhawk	16—10
9—25	Mustang	25— 7
11—16	Topaz	
12—14	Firenza	9—14
13—13	Cimarron	9—14
14—11	Dodge 400/600	11—13
15— 9	Capri	12—12
16— 8	Fairmont	30— 5
17— 4	Zephyr	16—10
INTERMEDIATES		
1—105	Cutlass Sup./Sedan	89— 1
2— 80	Regal Coupe/Sedan	76— 2
3— 61	Cutlass Ciera	36— 4
4— 51	Century	34— 6
5— 36	LTD	6—20
6— 35	Celebrity	19—14
6— 35	Skylark	48— 3
8— 33	XR-7	6—20
9— 31	6000	18—16
10— 30	Grand Prix	28— 7
10— 30	Thunderbird	9—19
12— 28	Bonneville	25— 8
13— 25	Marquis	4—22
14— 21	Eagle	23— 9
15— 20	Monte Carlo	19—14
16— 18	New Yorker S	†
16— 18	Citation	36— 4
18— 16	Malibu	21—11
18— 16	Omega	23— 9
20— 13	Dodge 600	2—24
20— 13	E-Class	3—23
22— 8	Concord	20—12
22— 8	Phoenix	16—17
24— 1	Granada	20—12
0	Cougar	16—17
STANDARDS		
1—111	Oldsmobile 88/98	86— 1
2— 78	LeSabre/Electra	58— 2
3— 47	Chevrolet	38— 3
4— 37	Grand Marquis	29— 4
5— 27	New Yorker 5th Ave.	24— 6
6— 26	Crown Victoria	26— 5
7— 9	Parisienne	1—11
8— 8	Diplomat	10— 7
9— 5	Gran Fury	7— 8
10— 4	Cordoba	6— 9
11— 2	Mirada	3—10
LUXURY		
1—111	Cadillac	97— 1
2— 45	Eldorado	36— 2
3— 39	Lincoln	29— 3
4— 21	Seville	16— 5
5— 19	Mark VI/VII	19— 4
6— 18	Riviera	15— 6
7— 13	Toronado	11— 8
8— 9	Continental	15— 6
9— 6	Corvette	4—10
10— 2	Imperial	6— 9

†—New nameplate.

SALES PER OUTLET BY MAKE: TOTAL U.S. MARKET

	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974
Toyota	511	484	528	541	485	423	479	347	295	251
Honda	494	455	470	496	488	396	339	252	214	109
Nissan	479	428	421	475	445	323	384	279	280	200
Mitsubishi	435	59	.....	.....	.....	.....	.....	.....	.....	.....
Oldsmobile	320	254	263	251	286	302	294	272	192	158
Buick	288	247	244	239	234	256	245	244	171	141
Chevrolet	261	238	259	303	364	394	381	350	302	332
Ford	230	197	197	204	269	326	335	308	276	318
Mazda	228	213	218	213	213	114	95	69	154	182
Volvo	220	185	159	140	136	120	103	89	126	120
Subaru	198	195	201	191	175	145	118	76	72	41
Cadillac	189	157	144	133	193	215	207	190	166	138
Pontiac	187	162	179	195	241	277	249	233	155	151
Mercedes-Benz	177	161	154	132	130	115	119	107	112	98
Volkswagen	177	164	241	264	274	213	252	187	232	283
Mercury	156	125	127	117	172	195	172	143	119	117
BMW	145	132	112	103	98	92	93	89	68	60
Renault††	135	51	22	24	44	47	46	24	26	28
Dodge	120	105	126	108	133	158	162	166	117	149
Audi	115	108	118	97	98	95	85	79	124	150
Plymouth	99	98	129	97	110	133	143	174	127	176
Isuzu	98	77	98	.....	.....	.....	.....	.....	.....	.....
Chrysler	94	66	35	50	76	89	96	86	70	36
Saab	81	60	47	44	46	48	42	29	35	33
Jaguar	81	49	20	11	14	17	15	13	11	6
Lincoln	67	64	43	45	80	115	112	76	62	56
Porsche	66	44	35	32	43	54	65	47	54	71
Peugeot	47	43	51	42	42	32	35	32	42	29
Alfa Romeo	27	17	16	19	18	35	39	29	33	25
AMC	23	53	85	88	97	105	112	140	177	176
Dodge Colt	15	16	19	24	27	21	37	26	33	25
Plymouth Colt	13	15	19	27	22	15	28	.....	.....	.....
Challenger	5	6	6	6	7	9	.....	.....	.....	.....
Sapporo	4	5	6	5	5	.....	.....	.....	.....	.....
Imperial	2	6	11	6	.....	.....	.....	.....	.....	.....
Fiat	.....	30	59	61	90	89	93	85	140	105
DeLorean	.....	8	.....	.....	.....	.....	.....	.....	.....	.....

†Volkswagen listed as domestic make since 1981. Includes imports.
††Renault joined domestics in 1982. Average includes imported Renaults and U.S.-built Alliances/Encores.

Copyright, 1984, Automotive News

New glazing for bulletproof windshields OK'd

WASHINGTON. — Auto makers and consumers will be able to use a new type of glazing material to make windshields bulletproof, thanks to a new NHTSA final rule.

In addition, NHTSA has adopted the safety code for glazing materials promulgated in 1980 by the American National Standards Institute. Adoption of this standard will allow the use of the latest technological developments in glazing, the agency said.

NHTSA granted petitions for rulemaking in November, 1980, after General Electric and Rohm and Haas petitioned the agency for the changes.

The new glazing will be used in bullet-resistant shields that will be installed behind the windshield and other windows. The light weight of the material will allow small businesses to provide their employes with ballistic protection at a relatively low cost, the agency said.

Judge denies motion for dismissal of charges

DeLorean jury selection to begin

By Matt DeLorenzo

LOS ANGELES. — U. S. District Judge Robert M. Takasugi last week cleared the way for the DeLorean drug-trafficking trial to begin this week by denying a defense motion to dismiss the charges because of pretrial publicity.

Jury selection in the case is scheduled to begin tomorrow (March 6).

In addition, Takasugi ruled that the audio tape which purportedly shows James Timothy Hoffman, a government informer in the case, threatening John Z. DeLorean, has not been authenticated.

The judge added that no mention of the tape may be made during the trial, unless evidence is introduced showing that the tape recording is genuine.

The barely audible tape surfaced last fall when Hustler magazine publisher Larry Flynt made the recording public along with FBI videotapes showing surveillance and the arrest of DeLorean in the sting operation.

The trial was postponed when a local television station and the CBS network aired the videotapes within days of the November court date.

The court proceedings against the former auto maker will begin with jury selection. Prospective jurors will fill out forms with between 90 and 100 questions to determine the level of their awareness of the case and the publicity surrounding it.

There were also hearings into Los Angeles airport-area hotel Oct. 19, 1982, and charged with conspiracy to possess and distribute 100 kilograms of cocaine.

Two others were netted in the investigation, William Hetrick and Stephen Arrington. Both pleaded guilty and are serving time under plea agreement reached with the prosecution.

Barring unforeseen delays, DeLorean's trial will begin more than 16 months after his arrest. The trial has been delayed by a number of motions and incidents ranging from the bizarre involvement of sex magazine publisher Larry Flynt to legal wranglings over DeLorean's property and assets that spilled over into a federal bankruptcy court in Detroit.

In the first six months after DeLorean's arrest, his attorneys were in court more than half a dozen times arguing over the terms of release for their client.

DeLorean was released on a $250,000 cash bond and a note posting his New Jersey estate, New York co-op and San Diego Country ranch as security for his release.

Later, Howard Weitzman and Donald Re, DeLorean's attorneys, were in court asking that most of the property securing their client's bail be released.

They cited the fact that it had been pledged to Continental Illinois Bank as collateral on a revolving line of credit for the former auto maker's snow grooming equipment company in Logan, Utah.

It was during one of those bail hearings that testimony from a Continental Illinois Bank officer was revealed. That testimony concerned an alleged connection between DeLorean and James Gorman, who was in a Detroit bankruptcy court with a plan to reorganize DeLorean Motor Co.

That period was also marked by a barrage of discovery requests by the defense and court battles between the prosecution and defense over exactly what documents, tapes and records would be admissible.

The defense also sought a hearing into the government's conduct during the investigation. That motion was pending for the better part of a year before Takasugi recently ruled that such a hearing would be conducted after DeLorean's trial.

DeLorean was arrested at a whether or not the court records could be sealed with several news organizations getting involved in the litigation and finally obtaining a ruling from the Ninth Appellate Court opening up most of the documentts in the case.

Last summer, the trial was further delayed by the plea agreements reached with the co-defendants. Both men were sentenced last August.

Then in September, Weitzman revealed that DeLorean had taken a polygraph test administered by Dr. David Raskin at the University of Utah. The defense said the polygraph showed that DeLorean was coerced into the drug deal by the government informant, Hoffman.

There was a lengthy hearing about the admissibility of that test, along with a polygraph administered by FBI Agent Paul Minor (which the prosecution said DeLorean flunked).

Takasugi, who administered polygraph tests himself when he was in the Army, recently threw out the defense test, saying that he was not satisfied with explanations of DeLorean's body movements during the Raskin test.

In ruling against the defense test, Takasugi also precluded the use of the prosecution test.

While the polygraph hearing was underway, Flynt's release of FBI videotapes two days prior to the Nov. 1 trial date caused an indefinite postponement and a series of court appearances by the wheelchair-bound publisher as Takasugi attempted to determine the source of the tapes.

Flynt initially said he obtained them from someone in the FBI and then later declined to identify his source.

After the series of court appearances and a $10,000 fine per day for each day Flynt refused to disclose the source, it was revealed that he purchased the tapes from a James Smith, who worked at Hufstedler, Miller, Carlson & Beardsley, which was one of the law firms representing DeLorean in the early stages of the case. The firm is no longer involved in the proceedings.